

## EXHIBIT 6

# PayPal User Agreement

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This User Agreement ("Agreement") is a contract between you and PayPal, Inc. and applies to your use of the PayPal™ payment service and any related products and services available through [www.paypal.com](http://www.paypal.com) (collectively the "Service"). If you do not agree to be bound by the terms and conditions of this Agreement, please do not use or access our Services.

You must read, agree with, and accept all of the terms and conditions contained in this Agreement and the Privacy Policy, which include those terms and conditions expressly set out below and those incorporated by reference, before you may become a member of PayPal. We strongly recommend that, as you read this Agreement, you also access and read the information contained in the other pages and websites referred to in this document, as they may contain further terms and conditions that apply to you as a PayPal user. Please note: underlined words and phrases are links to these pages and websites. By accepting this Agreement, you also agree that your use of other PayPal websites and Services will be governed by the terms and conditions posted on those websites.

For additional information about the Service and how it works, please also consult the PayPal Help Center .

We may amend this Agreement at any time by posting the amended terms on our site. Except as stated below, all amended terms shall be effective 30 days after they are initially posted on our site. Upcoming changes will be posted on the "Policy Updates" page, accessible from "Policy Updates" link on the Account Overview page once you have logged in. In addition, you can set your Preferences to receive email notification of all policy updates. You may review the current Agreement prior to initiating a transaction at any time at our User Agreement page.

In this Agreement, "you" or "your" means any person or entity using the Service ("Users"). Unless otherwise stated, "PayPal," "we" or "our" will refer collectively to PayPal, Inc. and its subsidiaries including PayPal Asset Management Inc. Unless otherwise specified, all references to a "bank" in this Agreement include savings associations and credit unions, and all references to a "credit card" include Visa- and MasterCard-branded debit cards.

This Agreement was last modified on 2005-MAY-13 .

1. **Eligibility.** In order to use the Service, you must register for a Personal, Premier, or Business account. Users may only hold one Personal account and either one Premier or one Business account. Our Services are only available to individuals or businesses that can form legally binding contracts under applicable law. Without limiting the foregoing, our Service is not available to minors (under 18), persons who are suspended from our Service, or to persons who present an unacceptable level of credit risk. In order to receive credit card funded payments or use the Service to conduct business or in conjunction with a business, you must upgrade to or register for a Premier or Business account.
2. **The Legal Relationship between You and PayPal.**

**2.1 Agency Relationship .** PayPal acts as a facilitator to help you accept payments from and make payments to third parties. We act as your agent based upon your direction and your requests to use our Services that require us to perform tasks on your behalf. PayPal will at all times hold your funds separate from its corporate funds, will not use your funds for its operating expenses or any other corporate purposes, and will not voluntarily make funds available to its creditors in the event of bankruptcy or for any other purpose. You acknowledge that (i) PayPal is not a bank and the Service is a payment processing service rather than a banking service, and (ii) PayPal is not acting as a trustee, fiduciary or escrow with respect to your funds, but is acting only as an agent and custodian.

You are not required to keep funds in the PayPal system (i.e., carry a balance in your PayPal agency account) in order to use the Service. If you do carry a U.S. Dollar balance in your PayPal account and do not enroll in the PayPal Money Market Fund, PayPal will pool your funds together with funds from other Users, and will place those funds in accounts at one or more non-interest bearing FDIC-insured banks ("Pooled Accounts"). Those funds may be eligible for FDIC pass-through insurance. Balances held in currencies other than U.S. Dollars will not be eligible for FDIC insurance.

You agree that you will not receive interest or other earnings on the funds that PayPal handles as your agent. PayPal will also not receive interest on those funds, but may receive a reduction in fees or expenses charged for banking services by the banks that hold your funds.

If you enroll in the Money Market Fund, PayPal's subsidiary PayPal Asset Management Inc. will act as your agent to transfer any U.S. Dollar balance in your PayPal account on a daily basis to purchase shares in the Money Market Fund. Thereafter, payments that you send through PayPal will be funded by a redemption of your shares in the Money Market Fund. For more information on the Money Market Fund, please review the prospectus .

By initiating and sending payments through the Service or adding funds to your balance, you appoint PayPal as your agent to obtain the funds on your behalf and to transfer the funds to the recipient that you designate or to a Pooled Account, subject to the terms and restrictions of this Agreement. PayPal will obtain the funds first by debiting your funds in the Pooled Accounts or redeeming your shares in the Money Market Fund, if any. If this is not sufficient to fund your payment fully, PayPal will obtain the remaining funds per your instructions by debiting a bank account that you designate or charging your credit card. When you send a payment, until that payment is accepted by the recipient (which may occur instantly), you remain the owner of those funds and PayPal holds those funds as your agent, but you will not be able to withdraw those funds or send the funds to any other recipient unless the initial transaction is cancelled.

By receiving payments through the Service, you appoint PayPal as your agent to cause the funds to be deposited on your behalf in the Pooled Accounts until you further instruct PayPal with respect to the transmission of your funds. Through the PayPal website, you may provide instructions to withdraw the funds, enroll in an automatic sweep of the funds into the PayPal Money Market Fund or transfer the funds to a third party, in each case subject to the terms and restrictions of this Agreement. If you receive a notice that a payment has been sent to you through PayPal but you

have not registered for the Service, PayPal will not become your agent and you will have no claim to those funds unless and until you register for the Service and indicate your acceptance of the payment. If you register for a Premier or Business account and intend to accept credit card payments, you will be receiving services provided by Wells Fargo Bank, N.A. and Wells Fargo Merchant Services, LLC (collectively "Wells Fargo"), and the terms of the Premier and Business Account Policy will govern your rights, obligations and liabilities with respect to such credit card transactions.

**2.2 PayPal is only a Payment Service Provider.** PayPal acts as a payment service provider by creating, hosting, maintaining and providing our Service to you via the Internet. We do not have any control over the products or services that are paid for with our Service. We cannot ensure that a buyer or a seller you are dealing with will actually complete the transaction.

**2.3 Identity Authentication.** We use many techniques to identify our users when they register on our site. Verification of Users is only an indication of increased likelihood that a User's identity is correct. You authorize PayPal, directly or through third parties, to make any inquiries we consider necessary to validate your registration. This may include ordering a credit report and performing other credit checks or verifying the information you provide against third party databases. However, because user verification on the Internet is difficult, PayPal cannot and does not guarantee any user's identity.

**2.4 Release.** In the event that you have a dispute with one or more users, you release PayPal (and our officers, directors, agents, subsidiaries, joint ventures and employees) from any and all claims, demands and damages (actual and consequential) of every kind and nature arising out of or in any way connected with such disputes. If you are a California resident, you waive California Civil Code §1542, which says: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if not known by him must have materially affected his settlement with the debtor."

**2.5 No Warranty.** WE, OUR PARENT, SUBSIDIARIES, EMPLOYEES AND OUR SUPPLIERS PROVIDE OUR SERVICES "AS IS" AND WITHOUT ANY WARRANTY OR CONDITION, EXPRESS, IMPLIED OR STATUTORY. WE, OUR PARENT, SUBSIDIARIES, EMPLOYEES AND OUR SUPPLIERS SPECIFICALLY DISCLAIM ANY IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. PayPal shall make reasonable efforts to ensure that requests for electronic debits and credits involving bank accounts, credit cards, and check issuances are processed in a timely manner and but we make no representations or warranties regarding the amount of time needed to complete processing because our Service is largely dependant upon many factors outside of our control, such as delays in the banking system or the U.S. or international mail service. Some states do not allow the disclaimer of implied warranties, so the foregoing disclaimer may not apply to you. This warranty gives you specific legal rights and you may also have other legal rights that vary from state to state.

The above clause is completely separate from PayPal's Money Back Guarantee, which you may choose to purchase at the time of an eligible transaction, and which assigns to you certain privileges, as defined in the Money Back Guarantee Policy .

**2.6 Limitation of Liability.** IN NO EVENT SHALL WE, OUR PARENT, SUBSIDIARIES, EMPLOYEES OR OUR SUPPLIERS BE LIABLE FOR LOST PROFITS OR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH OUR WEB SITE, OUR SERVICE, OR THIS AGREEMENT (HOWEVER ARISING, INCLUDING NEGLIGENCE). Some states do not allow the exclusion or limitation of incidental or consequential damages so the above limitation or exclusion may not apply to you.

OUR LIABILITY, AND THE LIABILITY OF OUR PARENT, SUBSIDIARIES, EMPLOYEES AND SUPPLIERS, TO YOU OR ANY THIRD PARTIES IN ANY CIRCUMSTANCE IS LIMITED TO THE ACTUAL AMOUNT OF DIRECT DAMAGES.

**2.7 Indemnification.** You agree to indemnify and hold PayPal, its parent, subsidiaries, affiliates, officers, directors and employees harmless from any claim or demand (including attorneys' fees) made or incurred by any third party due to or arising out of your breach of this Agreement or the documents it incorporates by reference, or your violation of any law or the rights of a third party relating to your use of the Service.

**2.8 Liability for Violations of the Acceptable Use Policy.** If you engage in the following behavior, PayPal may fine you, as explained below.

- a. Using the PayPal service to receive payments for any sexually oriented or obscene materials or services in violation of PayPal's Mature Audiences Policy.
- b. Using the PayPal service to receive payments for any narcotics, other controlled substances, steroids or prescription drugs in violation of PayPal's Prescription Drugs and Devices Policy or the Drugs and Drug Paraphernalia Policy.
- c. Using the PayPal service to receive payments for wagers, gambling debts or gambling winnings, regardless of the location or type of gambling activity.

You and PayPal agree that the damages that PayPal will sustain as a result of the behavior outlined above will be substantial, including (without limitation) fines and other related expenses from its payment processors and service providers, but may be extremely difficult and impracticable to ascertain. In the event that you engage in such activities, then PayPal may fine you \$500 USD and/or PayPal may take legal action against you to recover losses that are in excess of the amount fined. You acknowledge and agree that \$500 USD is presently a reasonable minimum estimate of PayPal's damages, considering all currently existing circumstances, including (without limitation) the relationship of the sum to the range of harm to PayPal that reasonably could be anticipated and the anticipation that proof of actual damages may be impractical or extremely difficult. You agree that PayPal is entitled to deduct such fines directly from any existing balance in the offending account, or any other PayPal account owned by you.

If you use the PayPal service in a manner that violates the Acceptable Use Policy, including but not limited to the three categories described above, your account will be subject to limitation or immediate termination, as stated in the Closing Accounts and Limiting Account Access Policy.

You further understand that, if you use the PayPal service in a manner that violates the Acceptable Use Policy, including but not limited to the three categories described above, PayPal may incur substantial liability and/or suffer significant damages, including (without limitation) fines and other related expenses from its payment processors and service providers. By selling goods or services (including access to content) in contravention of the Acceptable Use Policy or the Restricted Activities section of this User Agreement (currently Section 7.2), you acknowledge liability to PayPal for any and all damages suffered by PayPal. Without limiting the foregoing, you agree to reimburse PayPal for any and all costs, expenses, and fines levied on PayPal by its payment processors and/or service providers as a result of your activities.

You agree that, if either you or PayPal commence litigation or arbitration in connection with this paragraph, the prevailing party is entitled to recover reasonable attorneys' fees and any other costs incurred in such proceeding in addition to any other relief to which the prevailing party may be entitled.

3. **Fees.** All fees are set forth in the Fee Schedule. All fees will be assessed in the currency of the payment. Additional information about PayPal's fees is available in the Fees Policy . Your account and all transactions are made and displayed in U.S. dollars unless otherwise specified and may be subject to exchange rates.
4. **Non-U.S. Use.** To be eligible for an account, you must be a resident of the United States or one of the approved countries listed below:

**Table 1.**

<ul style="list-style-type: none"> <li>• Anguilla</li> <li>• Argentina /i/scr/dagger1.gif</li> <li>• Australia /i/scr/dagger1.gif</li> <li>• Austria /i/scr/dagger1.gif</li> <li>• Belgium /i/scr/dagger1.gif</li> <li>• Brazil /i/scr/dagger1.gif</li> <li>• Canada /i/scr/dagger1.gif</li> <li>• Chile /i/scr/dagger1.gif</li> <li>• China /i/scr/dagger1.gif</li> <li>• Costa Rica</li> <li>• Denmark /i/scr/dagger1.gif</li> <li>• Dominican Republic</li> <li>• Finland /i/scr/dagger1.gif</li> </ul>	<ul style="list-style-type: none"> <li>• France /i/scr/dagger1.gif</li> <li>• Germany /i/scr/dagger1.gif</li> <li>• Greece</li> <li>• Hong Kong /i/scr/dagger1.gif</li> <li>• Iceland</li> <li>• India /i/scr/dagger1.gif</li> <li>• Ireland /i/scr/dagger1.gif</li> <li>• Israel</li> <li>• Italy /i/scr/dagger1.gif</li> <li>• Jamaica /i/scr/dagger1.gif</li> <li>• Japan /i/scr/dagger1.gif</li> <li>• Luxembourg</li> <li>• Mexico /i/scr/dagger1.gif</li> </ul>	<ul style="list-style-type: none"> <li>• Netherlands /i/scr/dagger1.gif</li> <li>• New Zealand /i/scr/dagger1.gif</li> <li>• Norway /i/scr/dagger1.gif</li> <li>• Portugal</li> <li>• Singapore /i/scr/dagger1.gif</li> <li>• South Korea /i/scr/dagger1.gif</li> <li>• Spain /i/scr/dagger1.gif</li> <li>• Sweden /i/scr/dagger1.gif</li> <li>• Switzerland /i/scr/dagger1.gif</li> <li>• Taiwan /i/scr/dagger1.gif</li> <li>• United Kingdom /i/scr/dagger1.gif</li> <li>• Turkey</li> <li>• Malaysia</li> <li>• Thailand</li> <li>• Venezuela</li> <li>• Ecuador /i/scr/dagger1.gif</li> <li>• Uruguay /i/scr/dagger1.gif</li> <li>• Monaco</li> </ul>
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Countries marked with a /i/scr/dagger1.gif in the above table may withdraw funds from their PayPal account to a local bank account, either electronically or by bank draft, and are considered "Withdrawal Countries".

Non-U.S. Users in some countries may not use the Service to receive payments, and may only use the Service to send payments. These countries are designated on the PayPal Non-U.S. Accounts page. If you are a Non-U.S. User, you warrant that you are violating no law or regulation by your use of PayPal.

## 5. Receiving Payments.

**5.1 Credit Card Funded Payments.** The only accounts that can receive credit card funded payments are Premier and Business Accounts. Personal Accounts that receive credit card funded payments may accept the payment by upgrading to a Premier or Business Account, or they will have



to deny the payment. Personal Accounts may receive non-credit card funded payments for free. By accepting a credit card payment, you agree that you are responsible for the payment if it is reversed. If such reversal occurs on a credit card funded payment made to your account, we will reverse the payment and debit your PayPal account balance to pay for the reversal unless the transaction is covered by the Seller Protection Policy. If there are insufficient funds in your PayPal balance, you agree to reimburse PayPal through other means, as described in the Payments (Sending, Receiving, and Withdrawing) Policy .

**5.2 Removal of Expired Cards.** We will notify you of expired credit cards in your account and provide you the opportunity to update those cards before we remove them as a funding source in your account.

**5.3 Withdrawals.** In order to withdraw money from your PayPal account we require you to provide PayPal with a number of forms of identification as further described and protected in our Privacy Policy. We require this information to authenticate your identity and to determine how much you may withdraw from your account per month. We may limit withdrawals and require additional information from you depending upon your location (U.S. or international), credit rating, and other factors. Generally, in order to withdraw more than \$500 USD per month, we require you to complete some authentication procedures, such as confirming: your email address, your bank account, and your social security number. You may withdraw funds by direct deposit to the bank account you have on file with us or you may elect to receive a physical check for a nominal processing fee as disclosed in our Fee Schedule. Generally, checks will only be sent to Confirmed Addresses. Importantly, if you are a Non-U.S. User and do not reside in a Withdrawal Country, please note that you may not be able to withdraw funds from your PayPal Account and should therefore only accept payments if you know you will send payments in equal amounts out of your account. For more details and guidelines about withdrawals, please refer to our Payments Policy.

## 6. Sending Payments.

**6.1 Sending Payments.** In order to send payments through our Service we require you to provide PayPal with a number of forms of identification as further described and protected in our Privacy Policy. We require this information to authenticate your identity and to determine how much you may send with your account. We may require additional information from you depending on your location and other factors. Based on the information you provide, we will determine your Sending Limit. Generally, accounts that have a confirmed email address and credit card on file may send up to \$2000 USD . Accounts that are Verified by adding and confirming a bank account will receive a higher Sending Limit or no limit at all.

**6.2 Enrolling in the Expanded Use Program.** Non-U.S. members (and some U.S. members) may be asked to enroll in the Expanded Use Program before they may send any payments. American Express has decided to decline PayPal credit card transactions that are funded with an American Express Corporate card. As a result, any attempts to register or use an American Express Corporate Card will be denied. Some accounts, at PayPal's discretion, may have a higher or lower limit before completing enrollment in the Expanded Use Program. Some transactions, at PayPal's discretion, may not apply towards the limit. To obtain your Expanded Use Number, you must pay a \$1.95 USD Expanded Use Fee, log in to your PayPal account, and enter the four-digit Expanded Use Number associated with the \$1.95 USD charge. After you have successfully entered your Expanded Use Number, you will receive a \$1.95 USD bonus on the next PayPal payment you send. This bonus may take up to 24 hours to process and be reflected in your PayPal account balance. This Expanded Use Enrollment will be complete and your sending limit lifted if and when you correctly enter your Expanded Use Number on the PayPal website. If you remove the funding source (e.g. the bank account or credit card) used to enroll in the Expanded Use Program, PayPal may require you to enroll in the Expanded Use Program again.

**6.3 Refused Payments.** When you send a payment to a third party through our Service, the recipient is not required to accept the payment, even if the recipient is already registered with PayPal. The recipient may return the payment or, in some cases, use the PayPal Service to deny payments

that you send. Any payments sent through PayPal that are denied or unclaimed by a recipient will be returned to you on the earlier of: (a) the date of such denial, or (b) 30 days after the date the payment is sent. For more details and guidelines about Sending Payments, please refer to our Payments Policy.

**6.4 Electronic Transfers.** When you make a payment through PayPal that is funded with Instant Transfer or eCheck, and when you initiate an "Add Funds" transaction you are requesting an electronic transfer from your bank account. Upon such request, PayPal will make electronic transfers via the Automated Clearing House (ACH) system from your U.S. bank account in the amount you specify. You agree that such requests constitute your authorization for such transfers. PayPal will never make transfers from your bank account without your authorization. PayPal provides you protection against unauthorized withdrawals from your bank account under the terms of the Electronic Fund Transfer Rights and Error Resolution Policy below.

## 7. Your Information and Restricted Activities

**7.1 Definition.** "Your Information" is defined as any information you provide to us or other users in the registration, payment process, stores or other features of our Service. You are solely responsible for Your Information, as we act as a passive conduit for your online distribution and publication of Your Information.

**7.2 Restricted Activities.** Your Information and your activities (including your payments and receipt of payments) through our Service shall not: (a) be false, inaccurate or misleading; (b) be fraudulent or involve the sale of counterfeit or stolen items; (c) consist of providing yourself a cash advance from your credit card (or helping others to do so), (d) be related in any way to gambling and/or gaming activities, including but not limited to payment or the acceptance of payments for wagers, gambling debts or gambling winnings, regardless of the location or type of gambling activity (including online and offline casinos, sports wagering and office pools); (e) violate PayPal's Acceptable Use Policy; (f) infringe on any third party's copyright, patent, trademark, trade secret or other property rights or rights of publicity or privacy; (g) violate any law, statute, ordinance, contract or regulation (including, but not limited to, those governing financial services, consumer protection, unfair competition, antidiscrimination, or false advertising); (h) be defamatory, trade libelous, unlawfully threatening or unlawfully harassing; (i) be obscene or contain child pornography; (j) contain any viruses, Trojan horses, worms, time bombs, cancelbots, easter eggs or other computer programming routines that may damage, detrimentally interfere with, surreptitiously intercept or expropriate any system, data or other personal information; or (k) create liability for us or cause us to lose (in whole or in part) the services of our ISP's or other suppliers. If you use, or attempt to use the Service for purposes other than sending and receiving payments and managing your account, including but not limited to tampering, hacking, modifying or otherwise corrupting the security or functionality of Service, your account will be terminated and you will be subject to damages and other penalties, including criminal prosecution where available.

**7.3 License.** Solely to enable PayPal to use the information you supply us with, so that we are not violating any rights you might have in that information, you agree to grant us a non-exclusive, worldwide, royalty-free, perpetual, irrevocable, sublicensable (through multiple tiers) right to exercise the copyright, publicity, and database rights (but no other rights) you have in Your Information, in any media now known or not currently known, with respect to Your Information. PayPal will use and protect Your Information in accordance with our Privacy Policy.

**7.4 Trademarks.** PayPal.com, PayPal, and all related logos, products and services described in this website are either trademarks or registered trademarks of PayPal, Inc., or its licensors, and (aside from the circumstances described below) may not be copied, imitated or used, in whole or in part, without the prior written permission of PayPal. In addition, all page headers, custom graphics, button icons, and scripts are service marks, trademarks, and/or trade dress of PayPal and may not be copied, imitated, or used, in whole or in part, without the prior written permission of PayPal.

Notwithstanding the above, HTML logos provided by PayPal through its Affiliate Program, Web-site Payments features, or Auctions Tools features ("Logos"), may be used without prior written consent for the purpose of directing web traffic to the Service. These Logos may not be altered, modified, or changed in any way, or used in a manner that is disparaging to PayPal or the Service. Logos may not be displayed in any manner that implies sponsorship or endorsement by PayPal. PayPal is a payment service, and no partnership, joint venture, employee-employer or franchiser-franchisee relationship is intended or created by this Agreement.

8. **Access and Interference.** Our web site contains robot exclusion headers and you agree that you will not use any robot, spider, other automatic device, or manual process to monitor or copy our web pages or the content contained herein without our prior expressed written permission. You agree that you will not use any device, software or routine to bypass our robot exclusion headers, or to interfere or attempt to interfere with the proper working of the PayPal site or any activities conducted on our site. You agree that you will not take any action that imposes an unreasonable or disproportionately large load on our infrastructure. Much of the information on our site is proprietary or is licensed to PayPal by our users or third parties. You agree that you will not copy, reproduce, alter, modify, create derivative works, publicly display or frame any content (except for Your Information) from our web site without the prior expressed written permission of PayPal or the appropriate third party. If you use, or attempt to use the Service for purposes other than sending and receiving payments and managing your account, including but not limited to tampering, hacking, modifying or otherwise corrupting the security or functionality of Service, your account will be terminated and you will be subject to damages and other penalties, including criminal prosecution where available.
9. **Privacy and Security.** We do not sell or rent your personal information to third parties for marketing purposes without your consent and we only use Your Information as described in the Privacy Policy. We view protection of users' privacy as a very important principle. We understand clearly that you and Your Information are one of our most important assets. We store and process Your Information on computers located in the United States that are protected by physical as well as technological security devices. You should only log in to your PayPal account on a page which begins with <https://www.paypal.com/>. All of our pages begin with <https://www.paypal.com/> and therefore you should not use any other site that does not begin as such. We use third parties to verify and certify our privacy principles. Our current Privacy Policy is available at <https://www.paypal.com/cgi-bin/webscr?cmd=p/gen/privacy-outside>. If you object to your information being transferred or used in this way, please do not use our Services.
10. **Termination or Closing Your Account.** You may close your account at any time by clicking the **Close Account** link in your Profile on the PayPal website. Upon closure of an account, any pending transactions will be cancelled and any balances associated with Redemption Codes (for programs such as eBay Anything Points, Gift Certificates, or Coupons) will be forfeited. Any funds that we are holding in custody for you at the time of closure, less any applicable fees, will be paid to you by check, assuming all withdrawal related authentication requirements have been fulfilled (for example, you may not use closure of your account as a means of evading withdrawal limits on new Unverified users). You may not use closure of your account as a means of evading investigation - if an investigation is pending at the time you close your account, PayPal may continue to hold your funds for up to 180 days as appropriate to protect PayPal against the risk of reversals. If you are later determined to be entitled to some or all of the funds in dispute, PayPal will release those funds to you. You will remain liable for all obligations related to your account even after such account is closed. If you do not access your account for a period of three years, it will be terminated. After the date of termination, we will use the information you provided to try to send you any funds that we are holding in custody for you. If that information is not correct, and we are unable to complete the payment to you, your funds will be subject to applicable state laws regarding escheat of unclaimed property.
11. **Remedies and PayPal's Right to Collect From You.** Without limiting other remedies, we may update inaccurate or incorrect information you provide to us, contact you by means other than electronically, immediately warn our community of your actions, place a hold on funds in your account, limit funding sources and payments, limit access to an account and any or all of the account's functions (including but not limited to the ability to send money or making withdrawals from an the account), limit withdrawals, indefinitely suspend or close your account and refuse to provide our Services to you if: (a) you breach this Agreement or the documents it incorporates by reference; (b) we are unable to verify or authenticate any information you provide to us; (c) we

believe that your account or activities pose a significant credit or fraud risk to us; (d) we believe that your actions may cause financial loss or legal liability for you, our users or us; or (e) your use of your PayPal account is deemed by PayPal, Visa, MasterCard, American Express or Discover to constitute abuse of the credit card system or a violation of credit card rules, including (without limitation), using the PayPal system to test credit card behaviors. Even if they have been recorded as completed in the Recent Activity or History Transaction Log of your PayPal account, transactions are not considered completed until the funds have been charged to the customer's funding source (for payments) or posted to the customer's bank account (for withdrawals). In addition, PayPal reserves the right to hold funds beyond the normal distribution periods for transactions it deems suspicious or for accounts conducting high transaction volumes to ensure integrity of the funds. If we close your account, we will provide you notice and pay you all of the unrestricted funds held in your PayPal account. Additionally, to secure your performance of this Agreement, you grant to PayPal a lien on and security interest in your account. In addition, you acknowledge that PayPal may setoff against any accounts you own for any obligation you owe PayPal at any time and for any reason allowed by law. These obligations include both secured and unsecured debts and debts you owe individually or together with someone else. PayPal may consider this Agreement as your consent to PayPal's asserting its security interest or exercising its right of setoff should any law require your consent. The rights described in this section are in addition to and apart from any other rights.

12. **Assignability.** You may not transfer any rights or obligations you may have under this Agreement without the prior written consent of PayPal. PayPal reserves the right to transfer this Agreement or any right or obligation under this Agreement without your consent.
13. **Legal Compliance.** You shall comply with all applicable U.S. and international laws, statutes, ordinances, regulations, contracts and applicable licenses regarding your use of our Services.
14. **Notices.**

**14.1 Electronic Communications.** You agree that this Agreement constitutes "a writing signed by You" under any applicable law or regulation. To the fullest extent permitted by applicable law, this Agreement and any other agreements, notices or other communications regarding your account and/or your use of the Service ("Communications"), may be provided to you electronically and you agree to receive all Communications from PayPal in electronic form. Electronic Communications may be posted on the pages within the PayPal website and/or delivered to your e-mail address. You may print a copy of any Communications and retain it for your records. All Communications in either electronic or paper format will be considered to be in "writing," and to have been received no later than five (5) business days after posting or dissemination, whether or not you have received or retrieved the Communication. PayPal reserves the right but assumes no obligation to provide Communications in paper format.

**14.2 Credit Report.** You agree that PayPal may order and review your credit report with the sole purpose of assessing your fitness to hold a PayPal account and/or your ability to use the Service or features thereof.

**14.3 Procedure.** Except as explicitly stated otherwise, any notices shall be given by postal mail to PayPal Inc., Attn: Legal Department, 2211 North First Street, San Jose, California 95131 (in the case of PayPal) or to our online message center or the email address you provide to PayPal during the registration process (in your case). Notice shall be deemed given 24 hours after posted or email is sent, unless the sending party is aware that the electronic communication was not received. Alternatively, we may give you notice by mail to the address provided to PayPal during the registration process. In such case, notice shall be deemed given 3 days after the date of mailing.

15. **Legal Disputes.** In the event a dispute arises between you and PayPal, our goal is to provide you with a neutral and cost effective means of resolving the dispute quickly. Accordingly, you and PayPal agree that any controversy or claim at law or equity that arises out of this Agreement or PayPal's services ("Claims") shall be resolved in accordance with one of the subsections below, or as otherwise mutually agreed upon in writing by the parties. Before resorting to these alternatives, PayPal strongly encourages users first to contact PayPal directly

to seek a resolution. PayPal will consider reasonable requests to resolve the dispute through alternative dispute resolution procedures, such as mediation, as an alternative to litigation.

**15.1 Arbitration.** For any Claim (excluding Claims for injunctive or other equitable relief) where the total amount of the award sought is less than \$10000 USD , you or PayPal may elect to resolve the dispute through binding arbitration conducted by telephone, on-line, and/or based solely upon written submissions where no in-person appearance is required. In such cases, the arbitration shall be administered by the American Arbitration Association or JAMS, in accordance with their applicable rules, or any other established ADR provider mutually agreed upon by the parties. Any judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

**15.2 Court.** Alternatively, any Claim may be adjudicated by a court of competent jurisdiction located in Santa Clara County, California or where the defendant is located (in PayPal's case, San Jose, California, and in your case, your home address or principal place of business). You and PayPal agree to submit to the personal jurisdiction of the courts located within the county of Santa Clara, California.

**15.3 Alternative Dispute Resolution.** PayPal will consider use of other alternative forms of dispute resolution, such as binding arbitration to be held in Santa Clara County, California or another location mutually agreed upon by the parties.

**15.4 Violations of Section 15.** All Claims (excluding requests for injunctive or equitable relief) between the parties must be resolved using the dispute resolution mechanism that is selected in accordance with this Section by the party first to assert a Claim, either through a court filing or commencement of arbitration. Should either party file an action contrary to this Section 15, the other party may recover attorneys' fees and costs up to \$1000 USD , provided that the party seeking the award has notified the other party in writing of the improperly filed Claim, and the other party has failed to withdraw the Claim.

16. **General.** This Agreement is governed by and interpreted under the laws of the state of California, U.S. as such laws are applied to agreements entered into and to be performed entirely within California by California residents. Notwithstanding the foregoing sentence, the Federal Arbitration Act ("FAA"), and all of its rules and procedures, shall govern Section 16 hereof, to the extent that the FAA is inconsistent with California law. We do not guarantee continuous, uninterrupted or secure access to our service, and operation of our site may be interfered with by numerous factors outside of our control. If any provision of this Agreement is held to be invalid or unenforceable, such provision shall be struck and the remaining provisions shall be enforced. You agree that this Agreement and all incorporated agreements may be automatically assigned by PayPal, in our sole discretion, to a third party in the event of a merger or acquisition. Headings are for reference purposes only and in no way define, limit, construe or describe the scope or extent of such section. Our failure to act with respect to a breach by you or others does not waive our right to act with respect to subsequent or similar breaches. This Agreement and the documents it incorporates set forth the entire understanding between us with respect to the subject matter hereof. Sections (3) Fees, (2.4) Release, (8) Access and Interference, (2.6) Limitation of Liability, (2.7) Indemnity, and (16) Legal Disputes shall survive any termination or expiration of this Agreement.
17. **Disclosures.** The Services are offered by PayPal Inc., located at 2211 North First Street, San Jose, California 95131. If you are a California resident, you may have this same information emailed to you by sending a letter to the address above with your email address and a request for this information. Fees for our services are described in our Fees Policy .

Disputes between you and PayPal regarding our Services may be reported to Customer Support online through the PayPal Help Center at any time, or by calling (402) 935-2050 from 6 AM to midnight Central Time. Additionally, you may report complaints to the Complaint Assistance Unit of the Division of Consumer Services of the Department of Consumer Affairs by contacting them in writing at 400 R Street, Sacramento, California 95814, or by telephone at (800) 952-5210.



# Commercial Entity User Agreement for Credit Card Processing Services

This Commercial Entity User Agreement for Credit Card Processing Services ("Card Processing Agreement") is provided to all PayPal Users that meet the definition of "Commercial Entities" or the equivalent under Association Rules (defined below) and that open and use a Premier or Business Account (such use of such accounts collectively termed the "Premier/Business Service"). (Each such entity or person receiving this document is hereby referred to as "you" or "your.") This Card Processing Agreement constitutes your separate legally binding contract for credit card processing between (1) you, as a Commercial Entity; (2) Member (which is (i) Wells Fargo Bank, N.A., for merchants domiciled in the United States or (ii) Trans Canada Credit Corp. for MasterCard transactions acquired for merchants domiciled in Canada or (iii) Laurentian Bank, Ontario, Canada, for Visa transactions acquired for merchants domiciled in Canada or (iv) Shanghai Commercial Bank Ltd., for Visa and MasterCard transactions acquired for merchants domiciled in Hong Kong or (v) Bank of Western Australia Limited, for Visa and MasterCard transactions acquired for merchants domiciled in Australia or (vi) Deutsche Postbank AG, Bonn, Germany, for Visa and MasterCard transactions acquired for merchants domiciled in member states of the European Union or the following European countries: Andorra, Cyprus, Iceland, Liechtenstein, Malta, Monaco, Norway, San Marino, Switzerland, Turkey, Vatican City (collectively, the "European Countries"); and (3) Wells Fargo Merchant Services, LLC, San Francisco, CA, U.S. ("WFMS"), as agent for Member. Each such Member takes responsibility only towards your affiliates located in the territory designated for it in the preceding sentence. Member and/or WFMS may additionally terminate its provision of credit card processing services and enforce any of the provisions of your PayPal User Agreement setting forth requirements regarding credit card payments, all of which are incorporated in this Card Processing Agreement by reference. In this Card Processing Agreement "we", "us" and "our" refer to Member and WFMS.

**By clicking "I Agree" or "I Accept"; you agree to the terms and conditions of this Card Processing Agreement and any documents incorporated by reference.** You further agree that this Card Processing Agreement forms a legally binding contract between you and Member and WFMS, and that this Card Processing Agreement constitutes "a writing signed by You" under any applicable law or regulation. Any rights not expressly granted herein are reserved by Member and WFMS. This Card Processing Agreement is subject to change by Member or WFMS without prior notice (unless prior notice and/or consent is required by law), by posting of the revised agreement on the PayPal website. Descriptions of material amendments to this Card Processing Agreement will be posted on the PayPal website. You may review the current Card Processing Agreement prior to initiating a transaction at any time at PayPal's Card Processing Agreement page.

Any capitalized terms used in this Card Processing Agreement and not otherwise defined shall have the meanings set forth in the PayPal User Agreement.

This Agreement was last modified on October 13, 2004.

1. **Card Associations.** Visa U.S.A., Inc. and Visa International ("Visa") and MasterCard International Incorporated ("MasterCard") are associations of banks that electronically exchange sales records for credits and debits and reversals of sale transactions (such reversals are referred to as "Chargebacks" as further described at Section 7). Visa and MasterCard are referred to in this Card Processing Agreement as "Associations." Sales records are electronically transferred from banks that acquire them from sellers such as yourself (these banks are referred to as "Acquirers") through the appropriate Association, to the bank that issued the buyer's credit card (these banks are referred to as "Issuers" or "Issuing Banks", and the buyers using credit cards are "Cardholders"). The Issuing Banks then bill their Cardholders for the transactions.

The Associations have developed rules and regulations (the "Association Rules") that govern their member banks and merchants in the procedures, responsibilities and allocation of risk for payments made through the Associations. By accepting this Card Processing Agreement and the PayPal User Agreement, you are agreeing to comply with all such Association Rules.

The operating procedures contained in this Card Processing Agreement focus primarily on the MasterCard and Visa Associations' operating rules and regulations. (In the event Member provides authorization, processing or

settlement of transactions involving Cards other than MasterCard and Visa, you should also consult those independent Card Issuers' proprietary rules and regulations.)

## 2. MasterCard and Visa Acceptance

**2.1. Special Terms.** If you limit refund/exchange terms or other specific conditions for Card sales, your policy must be clearly provided to the cardholder prior to the sale and as part of your sale confirmation process. Proper disclosure would include wording approx 1/4 inch high such as NO REFUND, EXCHANGE ONLY, or any special terms. NOTE: Qualifying your refund or exchange terms does not completely eliminate your liability for a refund because consumer protection laws and Association Rules frequently allow the Cardholder to still dispute these items.

**2.2. Delayed Delivery or Deposit Balance.** In a delayed delivery transaction whereby a Cardholder makes a deposit toward the full amount of the sale, the Associations require that you conduct two separate transactions using the PayPal system, the first for a deposit and the second for payment of the balance upon delivery of the merchandise or the performance of the services. Also, the PayPal User Agreement provides that selling goods with delivery delayed more than 20 days is grounds for limiting the account.

**2.3. Recurring Transaction and Preauthorized Order Regulations.** If you process recurring transactions and thereby charge a Cardholder's account periodically for recurring goods or services (e.g., monthly insurance premiums, yearly subscriptions, annual membership fees, etc.), the Cardholder shall complete an electronic request in the PayPal system for such goods or services to be charged to his or her account.

This electronic request must at least specify the transaction amounts, the frequency of recurring charges and the duration of time for which the Cardholder's permission is granted.

If the recurring transaction is renewed, the Cardholder must complete a subsequent electronic request in the PayPal system for the continuation of such goods or services to be charged to the Cardholder's account. The Cardholder may cancel the recurring payment instruction at anytime. PayPal will not execute any more recurring transactions after receiving a cancellation notice from the Cardholder or issuing bank or after a request for authorization has been denied.

**2.4. Honoring Cards.** The following rules are requirements strictly enforced by Visa and MasterCard (certain of these obligations are being performed for you automatically by PayPal as your agent):

- You cannot establish minimum or maximum amounts as a condition for accepting a Card.
- You cannot impose a surcharge or fee for accepting a Card, unless explicitly permitted by local law.
- You cannot establish any special conditions for accepting a Card.
- You cannot establish procedures that discourage, favor or discriminate against the use of any particular Card.
- Any tax required to be collected must be included in the total transaction amount.
- You may not (and PayPal will not allow you to) submit any transaction representing the refinancing or transfer of an existing Cardholder obligation deemed uncollectible.
- You may not (and PayPal will not allow you to) submit a transaction or sale that has been previously charged back.
- You (through PayPal) must deliver at least one copy of the sales receipt or credit record to the Cardholder.

Association Rules also indicate that you (through PayPal) "cannot submit a transaction or sale to cover a dishonored check."

**2.5. Deposits of Principals.** Owners, partners or officers of your business are prohibited from depositing sales transacted on their own personal bankcards, other than transactions for valid purchases of goods or services (e.g., personal cash advances are prohibited).

**2.6. Displays and Advertising.** If you display Visa, MasterCard and, if applicable, other Association logos and program marks on your website or other promotional materials, such logos, marks, or materials must be displayed in accordance with Association Rules. You may not indicate that Visa, MasterCard or any other Association endorses your goods or services.

3. **Completion of Sales/Credit Records (These requirements are being performed for you by PayPal).**

**3.1. Information Required.** PayPal maintains the following information in conjunction with each transaction:

- Cardholder's name
- Cardholder's account number
- Billing address and shipping address where provided
- Any related effective and expiration dates
- Date of the transaction
- Amount of the transaction (including shipping, handling, insurance, etc.)
- Description of the goods and/or services involved in the transaction where provided (if there are too many items, they may be combined into one description; e.g., "clothing" instead of "one pair of pants, one shirt")
- A valid authorization code
- Seller's d/b/a or primary name and location (city and state required)

PayPal will always provide a copy of the completed sales record to the Cardholder at the time of the transaction in the form of an easily printable order confirmation screen as well as in the form of a confirmation email.

**3.2. Internet Orders.** You have been approved for the processing of transactions within a total bankcard volume as indicated on your registration or account overview page.

Since Member, WFMS and PayPal will be processing cards within a card-not-present environment, you will assume all associated risks.

- If you accept cards through your website, Visa and MasterCard require that the website include all the following information in a prominent manner:
  - Complete description of the goods or services offered
  - Merchandise return and refund policy
  - Customer service contact, including email address and/or telephone number
  - Transaction currency



- Any applicable export or legal restrictions
  - Delivery policy
  - For your protection, PayPal uses address verification to provide an indication as to whether the purchaser is indeed the Cardholder. This service is not a guarantee against Chargebacks; it is designed to assist in reducing the risk of fraud.
  - Visa and MasterCard require that you notify the Cardholder of delivery time frames, special handling or of a cancellation policy. Merchandise shipping dates must be within seven (7) days of the date authorization was obtained. If, after the order has been taken, additional delays will be incurred (e.g., out of stock), you must notify the Cardholder and have the transaction reauthorized.
  - **Submission of Sales for Sellers Other Than Your Business.** Member and PayPal will only process transactions for you which arise from a transaction between a bonafide Cardholder and your business. If you process or attempt to have processed transactions for any business other than your business, you will be subject not only to a Chargeback, but to immediate termination of your Agreement and/or legal action.
  - **Settlement.** Funds are settled to your account immediately for approved transactions.
4. **Refunds/Exchanges (Credits).** You must promptly complete and submit a refund for the total amount of the refund due a Cardholder.
- PayPal (acting on your behalf) will maintain the following information:
- Seller Name, city, state and account number
    - A description of the goods or services, if provided
    - The transaction date of the credit
    - Full refunds must be for the exact amount of the original transaction including tax, handling charges, etc. (You must identify the shipping and handling charges incurred.)
    - PayPal will credit the same Card used by the Cardholder to make the original purchase.
    - PayPal will provide the Cardholder with a copy of the credit and deposit the credit record immediately.
    - You cannot intentionally submit a sale and an offsetting credit at a later date solely for the purpose of debiting and crediting your own or a customer's account.
5. **Chargebacks and Other Debits.** The Association Rules and applicable banking laws give Cardholders and Issuing Banks certain rights to dispute transactions, after payment has been made to the seller. These disputed transactions are referred to as Chargebacks. See PayPal User Agreement, Payments Policy, Section II, No. 2 "Receipt of Payments; Risk of Reversal of Transactions; Collection of Funds you owe PayPal" as modified below.

Neither Member, WFMS nor PayPal decides what transactions are charged back and we do not control the ultimate resolution of the Chargeback. While we can attempt to reverse a Chargeback to the Issuing Bank, we can only do so if the Issuer (Payor's Bank) agrees to accept it or the Association requires the Issuer to do so after a formal appeal process. Sometimes, your buyer may be able to successfully charge back a credit card transaction even though you have provided your goods or services and are otherwise legally entitled to payment from your customer. While you may still be able to pursue claims directly against that buyer, neither Member nor PayPal will be responsible for such transactions.

You will be responsible for all Chargebacks and adjustments associated with the transactions that you submit for processing.

- **Account Information.** You understand that as part of the legal arrangements and agreements in place between PayPal, Member, WFMS and the Associations, such Member, WFMS or PayPal may, as required, disclose Card-related account profile and purchase behavior information to these organizations for the purpose of eliminating fraud and illicit behavior. In addition to the terms listed above, you further agree that Member, WFMS and PayPal may access and disclose information about you or your use of the Premier/Business Service to its agents and/or affiliates when Member, WFMS or PayPal deems such action necessary for the performance of this Card Processing Agreement, or appropriate to comply with the law or legal process, to protect Member's, WFMS' or PayPal's systems and customers, or to ensure the integrity and operation of Member's, WFMS' and PayPal's businesses and systems. You also agree that Member, WFMS and PayPal may disclose information about you to credit reference agencies for the purpose of obtaining credit assessments on you as an business or if you are an individual then in your personal capacity as an individual or to anyone the Member and/or WFMS transfers or intends to transfer its rights under this Card Processing Agreement. Unless otherwise prohibited by law, such disclosure may include, without limitation, user profile information (e.g., name, address, etc.), transaction information, IP address and traffic information, and usage and credit history and your performance under this Card Processing Agreement.
  - **Contact and Refund Information.** Each user of the Business Service will be required to input its customer service contact information into the Business Account application upon registration. You agree to clearly identify your customer service contact information, including but not limited to your business name, address, telephone number, fax number and e-mail address. You further agree to update such information to keep it true, accurate, current, and complete. You agree to clearly disclose your refund policies on your website.
6. **Taxes.** Each user of the Business Service is required to provide upon request (i) its Taxpayer Identification Number (TIN), Canadian Business Number, VAT registration number or comparable tax registration for the user's country, or (ii) (if the user is conducting business as a sole proprietor and is not required to register with tax authorities) the user's social security number or equivalent personal tax identification number. It is your responsibility to determine what, if any, taxes apply to the payments you make or receive and to collect, report and remit the correct tax to the appropriate tax authority. Neither Member nor PayPal is obligated to determine whether taxes apply, and neither Member nor PayPal is responsible to collect, report, or remit any taxes arising from any transaction.
  7. **Account Use.** By accepting the terms as outlined in this Card Processing Agreement and using your Premier or Business Account, you attest that you hold all the necessary licenses to engage in the advertising and sale of the goods and services offered for sale or use through your Premier or Business Account, and that you do not provide unlawful or illicit products or services. You will not use the Business Service, the website or any of the services offered therein for any unlawful, fraudulent or improper activity, including expressly any transactions involving adult content or gambling or otherwise prohibited under Association Rules. If PayPal, WFMS or Member has reason to believe that you may be engaging in or have engaged in fraudulent, unlawful, or improper activity, including without limitation any violation of any terms and conditions relating to the Premier/Business Service, the website or any related services, your access to the Service may be suspended or terminated. You will cooperate fully with PayPal, WFMS or Member to investigate any suspected unlawful, fraudulent or improper activity.
  8. **Fees.** PayPal's current Fee Schedule for using the Premier/Business Service is posted on the website. Unless otherwise stated, all fees quoted are in U.S. dollars. Users are responsible for paying all fees associated with the use of their Premier or Business Accounts and the Premier/Business Service.
  9. **Reserve Account in Case of Closure.** If you or Member closes your merchant account or PayPal closes your PayPal account, PayPal may retain a portion of any funds it holds in custody for you, based on your transaction history, as a reserve to the extent reasonable to protect against the risk of future reversals of transactions occurring prior to such closure. The balance of any such reserve will be paid within 180 days after closure.

When you receive funds, if the sender's transaction is reversed because of a credit card reversal and you do not

qualify for the Seller Protection Policy for that transaction, you will owe PayPal for the amount of the reversed transaction plus any fees imposed as a result of the reversal. You agree to reimburse PayPal from your account or by other means as described in the PayPal User Agreement, Payments Policy, Section II, No. 2 "Receipt of Payments; Risk of Reversal of Transactions; Collection of Funds you owe PayPal."

#### 10. Other Terms and Conditions.

**14.1.** This Card Processing Agreement is effective upon the date you first meet the definition of a Commercial Entity under the Association Rules and continues so long as you use the Service until terminated by you, PayPal, Member or WFMS, provided that those terms which by their nature are intended to survive termination (including without limitation, indemnification obligations and limitations of liability) shall continue in perpetuity.

**14.2.** This Card Processing Agreement may be terminated by Member or WFMS at any time based on breach of any of your obligations or representations herein or for any other reason. This Card Processing Agreement will terminate automatically upon any termination of your PayPal User Agreement. The provisions of Sections 7 (Chargebacks), 8 (Account Information), 10 (Taxes), 11 (Account Use) (with respect to cooperation in investigations of suspected illegal or improper activity), 13 (Reserve Account), and Section 14 (Other Terms and Conditions) shall survive any termination of this Card Processing Agreement.

**14.3.** You agree to indemnify and hold Member and WFMS harmless from and against all losses, liabilities, damages and expenses (including attorneys' fees and collection costs) which the Member and/or WFMS or their affiliates or agents may suffer or incur arising directly or indirectly from any breach of any warranty, covenant or agreement or any misrepresentation by you under this Card Processing Agreement, or arising as a result of anything done or omitted to be done whether in contract or tort (including negligence) by you or your employees or agents, in connection with Card transactions or otherwise arising from your provision of goods and services to Cardholders or from any contravention of any legal requirements on you.

**14.4. (a)** Any dispute with respect to this Card Processing Agreement between you and Wells Fargo Bank, N.A as Member, and/or WFMS as its agent, including a dispute as to the validity or existence of this Card Processing Agreement and/or this clause, shall be resolved by binding arbitration in accordance with the rules of the American Arbitration Association. Venue for any such arbitration shall be California.

**(b)** Any dispute with respect to this Card Processing Agreement between you and Trans Canada Credit Corp. or Laurentian Bank, as Members, and/or WFMS as their agent, including a dispute as to the validity or existence of this Card Processing Agreement and/or this clause, shall be resolved by binding arbitration in accordance with the Arbitration Act of Ontario, and conducted in English. Venue for any such arbitration shall be Ontario, Canada.

**(c)** Any dispute with respect to this Card Processing Agreement between you and Shanghai Commercial Bank Ltd., as Member, and/or WFMS as their agent, including a dispute as to the validity or existence of this Agreement and/or this clause, shall be resolved by arbitration in Hong Kong, conducted in English. Venue for any such arbitration shall be Hong Kong.

**(d)** Any dispute with respect to this Card Processing Agreement between you and Bank of Western Australia Limited, as Member, and/or WFMS as their agent, including a dispute as to the validity or existence of this Agreement and/or this clause, shall be resolved by arbitration in Australia, conducted in English. Venue for any such arbitration shall be the State of Western Australia. **(e)** Any dispute with respect to this Card Processing Agreement between you and Deutsche Postbank AG and/or WFMS as their agent, including a dispute as to the validity or existence of this Agreement and/or this clause, shall be resolved by arbitration in London, England, conducted in English by a single arbitrator in accordance with the ICC Rules. The parties agree to waive any right of appeal against the arbitration award. In the event of a failure by the parties to agree on the sole arbitrator within 30 days of one party calling upon the other to do so, he shall be appointed by

the ICC.

**14.5.** This Card Processing Agreement may not be assigned by you under any circumstances. The Member and WFMS may assign their rights under this Card Processing Agreement without your consent.

**14.6.** This Card Processing Agreement may be amended by Member at any time by posting of a revised agreement on the Card Processing Agreement page of the PayPal website.

**14.7.** THIS CARD PROCESSING AGREEMENT IS A SERVICE AGREEMENT. WE DISCLAIM ALL REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, MADE TO YOU OR ANY OTHER PERSON, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES REGARDING QUALITY, SUITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE OF ANY SERVICES OR ANY GOODS PROVIDED INCIDENTAL TO THE SERVICES PROVIDED UNDER THIS CARD PROCESSING AGREEMENT TO THE EXTENT PERMITTED BY LAW.

**14.8.** NOTWITHSTANDING ANYTHING IN THIS CARD PROCESSING AGREEMENT TO THE CONTRARY, IN NO EVENT SHALL WE, OUR AFFILIATES OR ANY OF OUR/THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR SUBCONTRACTORS, BE LIABLE UNDER ANY THEORY OF TORT, CONTRACT, STRICT LIABILITY OR OTHER LEGAL THEORY FOR LOST PROFITS, LOST REVENUES, LOST BUSINESS OPPORTUNITIES, EXEMPLARY, PUNITIVE, SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, EACH OF WHICH IS HEREBY EXCLUDED BY AGREEMENT OF THE PARTIES, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE OR WHETHER ANY PARTY OR ANY ENTITY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

**14.9.** NOTWITHSTANDING ANYTHING IN THIS CARD PROCESSING AGREEMENT TO THE CONTRARY, IN NO EVENT SHALL WE BE LIABLE OR RESPONSIBLE FOR ANY DELAYS OR ERRORS IN OUR PERFORMANCE OF THE SERVICES CAUSED BY OUR SERVICE PROVIDERS OR OTHER PARTIES OR EVENTS OUTSIDE OF OUR REASONABLE CONTROL, INCLUDING PAYPAL.

**14.10.** NOTWITHSTANDING ANYTHING IN THIS CARD PROCESSING AGREEMENT TO THE CONTRARY, OUR CUMULATIVE LIABILITY FOR ALL LOSSES, CLAIMS, SUITS, CONTROVERSIES, BREACHES OR DAMAGES FOR ANY CAUSE WHATSOEVER (INCLUDING, BUT NOT LIMITED TO, THOSE ARISING OUT OF OR RELATED TO THIS CARD PROCESSING AGREEMENT) AND REGARDLESS OF THE FORM OF ACTION OR LEGAL THEORY AND WHETHER OR NOT ARISING IN CONTRACT OR TORT (INCLUDING NEGLIGENCE) SHALL NOT EXCEED \$50000 USD .

**14.11.** NOTHING IN THIS CARD PROCESSING AGREEMENT SHALL EXCLUDE OR LIMIT ANY LIABILITY OF ANY PARTY FOR DEATH OR PERSONAL INJURY CAUSED BY NEGLIGENCE OR FRAUD, DECEIT OR FRAUDULENT MISREPRESENTATION, HOWSOEVER CAUSED.

**14.12.** In the event of any conflict between the terms of this Card Processing Agreement and other terms of the PayPal User Agreement, this Card Processing Agreement shall have precedence.

**14.13.** No term of this Card Processing Agreement shall be enforceable by a third party (being a person other than the parties and their permitted successors and assignees).

**14.14.** Governing law with respect to this Card Processing Agreement shall be determined in accordance with the Member: California, U.S. for Wells Fargo Bank, N.A.; Ontario, Canada for Laurentian Bank and Trans Canada Credit Corp.; Hong Kong for Shanghai Commercial Bank Ltd.; Western Australia State, Australia for Bank of Western Australia Limited; and the laws of England and Wales for Deutsche Postbank AG.

# Privacy Policy

The Privacy Policy below governs your PayPal account and any information you provide on this site.

(<http://www.bbbonline.org/cks.asp?id=20111061155818568>)  
(<http://www.truste.org/ivalidate.php?url=www.paypal.com&sealid=101>)

- A. Overview (#introduction)
- B. Information We Collect (#information)
- C. Our Use and Disclosure of Information (#use)
- D. Information Security (#security)
- E. Accessing and Changing Your Information (#access)
- F. Contacting Us (#contact)

## A. Overview

In order to operate the PayPal service and to reduce the risk of fraud, PayPal Corp. ("PayPal" or "we") must ask you to provide us information about yourself and your credit card and/or bank account. This Privacy Policy describes the information we collect and how we use that information.

If you apply for a PayPal VISA® credit card (available in the U.S. only), you authorize PayPal and Provident National Bank (which is the issuer of the PayPal VISA card) to exchange the information you provide in the application form. If you are approved for a PayPal VISA credit card, your credit card account will be governed by the Provident Privacy Policy (<https://www.paypalcreditcard.com/providentpolicy>) .

PayPal takes the privacy of your personal information very seriously and will use your information only in accordance with the terms of this Privacy Policy. We will not sell or rent your personally identifiable information or a list of our customers to third parties. However, as described in more detail in Part C below, there are limited circumstances in which some of your information will be shared with third parties, under strict restrictions, so it is important for you to review this Privacy Policy. This Privacy Policy applies to all services that are hosted on the PayPal.com Web site, whether the services are offered by PayPal, by its subsidiaries, or by the PayPal Money Market Fund.

Your privacy is important to us. By participating in the Council of Better Business Bureau's BBBOnLine® Privacy Program we have made a commitment to meet the program's strict requirements regarding how we treat your information and have it verified by BBBOnLine. Further information about this program is available at <http://www.bbbonline.org> (<http://www.bbbonline.org>) .

Additionally, in order to enhance the protection of your privacy and our compliance with this Privacy Policy, PayPal has agreed to disclose our information practices and to have our practices reviewed for compliance by TRUSTe. TRUSTe is an independent, non-profit organization whose mission is to build users' trust and confidence in the Internet by promoting the use of fair information practices. By displaying the TRUSTe trustmark, PayPal has agreed to notify you of:

1. What personally identifiable information of yours is collected by PayPal.
2. The organization collecting the information.

3. How the information is used.
4. With whom the information may be shared.
5. What choices are available to you regarding collection, use and distribution of the information.
6. The kind of security procedures that are in place to protect the loss, misuse or alteration of information under PayPal's control.
7. How you can correct any inaccuracies in the information.

If you have questions or concerns regarding this Privacy Policy, you should first contact PayPal using the contact form available from the footer of any PayPal page. If you do not receive acknowledgment of your inquiry or your inquiry has not been satisfactorily addressed, you should then contact TRUSTe at [http://www.truste.org/consumers/watchdog\\_complaint.php](http://www.truste.org/consumers/watchdog_complaint.php) ([http://www.truste.org/consumers/watchdog\\_complaint.php](http://www.truste.org/consumers/watchdog_complaint.php)). TRUSTe will then serve as a liaison with PayPal to resolve your concerns.

By accepting the Privacy Policy and User Agreement in registration, you expressly consent to our use and disclosure of your personal information in the manner described in this Privacy Policy. This Privacy Policy is incorporated into and subject to the terms of the PayPal User Agreement. This Privacy Policy will take effect on March 4, 2003. This Privacy Policy was last updated on 2005-APR-15.

Please note that your personal information will be stored and processed on our computers in the United States. The laws on holding personal data in the United States may be less stringent than the laws of your country but PayPal will hold and transmit your personal information in a safe, confidential and secure environment. If you object to your personal information being transferred or used as described in this Privacy Policy, please do not register for the PayPal service.

### Notification of Changes

This policy may be revised over time as new features are added to the PayPal service or as we incorporate suggestions from our customers. If we are going to use or disclose your personally identifiable information in a manner materially different from that stated at the time we collected the information, you will have a choice as to whether or not we use or disclose your information in this new manner. Any material changes will be effective only after we provide you by e-mail with at least 30 days' notice of the amended Privacy Policy (if you have closed your PayPal account, you will not be contacted to notify you of the amended Policy and your personal information will not be used or disclosed in this new manner).

We will post the amended Privacy Policy prominently on our Web site so that you can always review what information we gather, how we might use that information, and whether we will disclose it to anyone. Please check the PayPal Web site at [www.paypal.com](http://www.paypal.com) (<https://www.paypal.com>) at any time for the most current version of our Privacy Policy.

PayPal Shops and other pages on the PayPal Web site include links to third party Web sites. These sites are governed by their own privacy statements, and PayPal is not responsible for their operations, including but not limited to their information practices. Users submitting information to or through these third party Web sites should review the privacy statement of these sites before providing them with personally identifiable information.

**A Special Note About Children.** Children are not eligible to use our service and we ask that minors (under the age of 18) do not submit any personal information to us or use the service.

### B. Information We Collect

#### Required Information

To open a PayPal account, you must provide your name, address, phone number, and e-mail address. In order to make payments through PayPal, you must provide credit card, debit card or bank account information (bank account



information is required to make payments totaling more than \$1000 USD ). We also ask you to choose two different security questions to answer (such as your city of birth or your pet's name) This required information is necessary for us to process transactions, issue a new password if you forget or lose your password, protect you against credit card fraud and checking account fraud, and to contact you should the need arise in administering your account.

Pursuant to section 326 of the USA PATRIOT Act, the U.S. Department of the Treasury and the Securities and Exchange Commission require PayPal Funds to obtain, verify, and record the following information for each investor in the PayPal Money Market Fund.

- Name
- Address
- Date of Birth (for Individuals)
- Tax Identification Number (social security number for individuals or employer identification number for businesses)

In order to comply with the Bank Secrecy Act, we will also require your Tax Identification Number if you send or receive certain high-value transactions or high overall payment volumes through PayPal. If you choose to register or apply for certain optional features or products offered through PayPal Web sites, such as listing your business in PayPal Shops, or applying for the PayPal Visa® credit card or the PayPal MasterCard® debit card, you will be required to provide additional information to establish that you qualify for such features or products.

### **Transaction Information**

When you use PayPal to send money to someone else or request money from someone else, we ask you to provide information related to each transaction, including the amount of the transaction, the type of transaction (purchase of goods, purchase of services, or simple money transfer ("quasi-cash")) and the e-mail address of the third party. We retain this information for each of your transactions through PayPal. We also collect the Internet address (IP address) of the computer or device you use to access your PayPal account, in order to help detect possible instances of unauthorized transactions.

### **Information About You From Third Parties**

In order to protect all our customers against potential fraud, we verify with third parties the information you provide. In the course of such verification, we receive personally identifiable information about you from such services. In particular, if you register a credit card or debit card with PayPal, we will use card authorization and fraud screening services to verify that your card information and address matches the information that you supplied to PayPal, and that the card has not been reported as lost or stolen.

If you register your online business with PayPal Shops or if you send or receive high overall payment volumes through PayPal, in some circumstances we will conduct a background check on your business by obtaining information about you and your business from a credit bureau or a business information service such as Dun & Bradstreet. If you incur a debt to PayPal, we will generally conduct a credit check on you by obtaining additional information about you from a credit bureau, to the extent permitted by law. PayPal, at its sole discretion, also reserves the right periodically to retrieve and review a business and / or consumer credit report for any account, and reserves the right to close an account based on information obtained during this credit review process.

### **Additional Verification**

If we cannot verify the information that you provide, or if you request a withdrawal by check to an address other than your verified credit card billing address, we ask you to send us additional information by fax (such as your drivers' license, credit card statement, and/or a recent utility bill or other information linking you to the applicable address), or to answer additional questions online to help verify your information.

### **Web Site Traffic Information**

Because of the way that World Wide Web communication standards work, when you arrive at or leave the PayPal Web site, we automatically receive the Web address of the site that you came from or are going to. We also collect information on which pages of our Web site you visit while you are on the PayPal site, the type of browser you use and the times you access our Web site. We use this information only to try to understand our customers' preferences better and to manage the load on our servers, so as to improve our service and your experience with PayPal. We do not track the Web sites that you visit before or after you leave the PayPal site.

### **Our Use of "Cookies"**

"Cookies" are small files of data that reside on your computer and allow us to recognize you as a PayPal customer if you return to the PayPal site using the same computer and browser. We send a "session cookie" to your computer if and when you log in to your PayPal account by entering your e-mail address and password. These cookies allow us to recognize you if you visit multiple pages in our site during the same session, so that you don't need to re-enter your password multiple times. Once you log out or close your browser, these session cookies expire and no longer have any effect.

We also use longer-lasting cookies to display your e-mail address on our sign-in form, so that you don't have to re-type the e-mail address each time when you log in to your PayPal account. In addition, we use cookies to process our referral program, described in Section C below. Our cookie files are encoded so that your e-mail address and other information can only be interpreted by PayPal. We may, however, share cookie information regarding whether or not a certain user is already registered with PayPal with certain merchants with whom we have an official co-marketing relationship.

### **Customer Service Correspondence**

If you send us correspondence, including e-mails and faxes, we retain such information in the records of your account. We will also retain customer service correspondence and other correspondence from PayPal to you. We retain these records in order to measure and improve our customer service, and to investigate potential fraud and violations of our User Agreement. We may, over time, delete these records if permitted by law.

### **Questionnaires, Surveys and Profile Data**

From time to time, we offer optional questionnaires and surveys to our users for such purposes as collecting demographic information or assessing users' interests and needs. The use of the information collected will be explained in detail in the survey itself. If we collect personally identifiable information from our users in these questionnaires and surveys, the users will be given notice of how the information will be used prior to their participation in the survey or questionnaire.

### **Non-member Recipients and Requests**

When a member either sends a payment to, or requests a payment from, an individual who is not a registered member of PayPal, we will retain the information that the member submits to us, including, for example, the other party's email address and/or name, for the benefit of the member who is attempting to contact the non-member, so that the member can see a complete record of his or her transactions, including uncompleted transactions. Although this information is stored indefinitely, we will not market to the non-member in any way at any time. Additionally, these non-members have the same rights to access and correct information about themselves (assuming that their email addresses were correct enough to reach them) as anyone else who uses PayPal.

## **C. Our Use and Disclosure of Information**

### **Internal Uses**

We collect, store and process your personal information on servers located in the United States. We use the information we collect about you in order 1) to provide our services and process your transactions, 2) to provide customer service, 3) to determine your eligibility to receive offers for special features or products, such as the PayPal MasterCard® debit card, and 4) to improve our products and services. At your option (as indicated in your PayPal Profile settings), we use the information you provide to access specific third party services on your behalf and perform the actions that you request us to perform, such as invoicing winning bidders on behalf of auction sellers.



We give access to individually identifiable information about our users only to those employees who require it to fulfill customer service requests.

### **Disclosure to Other PayPal Customers**

If you are a registered PayPal user, your name, e-mail address, date of sign-up, and whether you have verified control of a bank account are displayed to other PayPal customers whom you have paid or who are attempting to pay you through PayPal. If you are a Business account holder, we will also display to other PayPal customers the Web site address (URL) and customer service contact information that you provide us. However, your credit card number, bank account and other financial information will NEVER be revealed to anyone whom you have paid or who has paid you through PayPal, except with your express permission or if we are required to do so pursuant to a subpoena or other legal process.

If you are buying goods or services and paying through PayPal, the seller of the goods or services may request that you provide a mailing address that PayPal has confirmed as matching the billing address in the credit card system. You do not have to provide this information. If you do not provide the information, however, the seller may choose not to accept your PayPal payment and not to complete the transaction.

We work with third party merchants to enable them to accept payments from you, including direct credit card payments. Merchants who use this service will share personally identifiable information you provide to them with PayPal in order to validate the information, assess the risks of your payment, or confirm the existence or status of your PayPal account. You permit PayPal to share information with the merchant on the validity of the personally identifiable information you provided to the merchant, and on the existence or status of your PayPal account.

PayPal does not store the personally identifiable information provided by these merchants to validate the existence of your account.

Beginning in spring 2001, PayPal will also disclose to other PayPal customers the number of payments you have received from Verified PayPal customers (as defined in the User Agreement on the [www.paypal.com](http://www.paypal.com) site), or other aggregate measures that provide an indication of your reputation with other PayPal customers.

### **Disclosure to Third Parties Other Than PayPal Customers**

PayPal will not sell or rent any of your personally identifiable information to third parties. PayPal will not share any of your personally identifiable information with third parties except in the limited circumstances described below, or with your express permission (and with other PayPal customers as described above). These third parties are limited by law or by contract from using the information for secondary purposes beyond the purposes for which the information is shared.

1. We share information with companies that help us process the transactions you request and protect our customers' transactions from fraud, such as sharing your credit card number with a service that screens for lost and stolen card numbers. See "Information About You From Third Parties" in Section B above. Additionally, if you go into a negative balance and owe us money, we may share information with processing companies including collection agencies.
2. We may disclose the information we collect, as described in Section B above, to companies that perform marketing services on our behalf. We may also disclose the information we collect (but not your bank account or credit card information) to other financial institutions with whom we have joint marketing agreements, in order to determine whether you are pre-approved for the products that PayPal is jointly marketing with the third party (such as the PayPal Visa credit card issued by Provident National Bank). These companies are subject to confidentiality agreements with us and other legal restrictions that prohibit using the information except to market the specified PayPal-related products or services, unless you have affirmatively agreed or given your prior permission for other uses.

If you do not want PayPal to share any of your information with our joint marketing partners, please log in to your account to set your Notification preferences in the **Profile** page of the **My Account** tab to indicate that you do not want to receive Partner/Third-Party Promotions or the PayPal Periodical Monthly Newsletter and Product Updates. Use the following URL to see your Notification preferences: <https://www.paypal.com/notifications>

[tps://www.paypal.com/PREFS-NOTI](https://www.paypal.com/PREFS-NOTI).

3. We disclose information that we in good faith believe is appropriate to cooperate in investigations of fraud or other illegal activity, or to conduct investigations of violations of our User Agreement. For example, this means that if we conduct a fraud investigation and conclude that one side has engaged in deceptive practices, we can give that person or entity's contact information (but not bank account or credit card information) to victims who request it.
4. We disclose information in response to a subpoena, warrant, court order, levy, attachment, order of a court-appointed receiver or other comparable legal process, including subpoenas from private parties in a civil action.
5. When a user signs up for a co-branded version of PayPal (e.g. PayPal Evite) through links to PayPal from our co-branded partner's website, PayPal will share with the co-branded partner that user's name, e-mail address and physical address in order to provide enhanced integration between PayPal's services and the services of our co-branded partner. If you do not want your information shared with PayPal's co-branded partner, you should sign up with PayPal directly and not through a link from our partner's website.
6. If you choose to invest in the PayPal Money Market Fund, we will share your information with PayPal Funds, a Delaware business trust which is the issuer of the Money Market Fund, and with PayPal Asset Management, Inc., a wholly-owned subsidiary of PayPal that is the transfer agent for the Money Market Fund, so that you can complete your investment more easily and can move funds into and out of the Money Market Fund without re-entering your personal information for every transaction.
7. We disclose information to your agent or legal representative (such as the holder of a power of attorney that you grant, or a guardian appointed for you).
  - We share aggregated statistical data with our business partners or for public relations. For example, we may disclose that a specific percentage of our users live in California. However, this aggregated information is not tied to personally identifiable information.
  - As with any other business, it is possible that PayPal in the future could merge with or be acquired by another company. If such an acquisition occurs, the successor company would have access to the information maintained by PayPal, including customer account information, but would continue to be bound by this Privacy Policy unless and until it is amended as described in Section A above.
  - We share your information with our parent, subsidiaries and joint ventures to help coordinate the services we provide to you, enforce our terms and conditions, and promote trust and safety.

### **Our Contacts with PayPal Customers**

We communicate with users on a regular basis via e-mail to provide requested services, and we also communicate by phone to resolve customer complaints or investigate suspicious transactions. We use your e-mail address to confirm your opening of a PayPal account, to send you notice of payments that you send or receive through PayPal (including referral payments described below), to send information about important changes to our products and services, and to send notices and other disclosures required by law. Generally, users cannot opt out of these communications, but they will be primarily informational in nature rather than promotional.

We also use your e-mail address to send you other types of communications that you can control, including the PayPal Periodical newsletter, auction tips, customer surveys and notice of special third-party promotions. You can choose whether to receive some, all or none of these communications when you complete the registration process, or at any time thereafter, by logging in to your account on the PayPal Web site and changing your preferences in the Profile page of the My Account tab. You can also change your choices at any time through the same procedure.

In connection with independent audits of our financial statements and operations, the auditors may seek to contact a sample of our customers to confirm that our records are accurate. However, these auditors cannot use personally identifiable information for any secondary purposes.

### **Internet Address Information**

We use IP addresses, browser types and access times to analyze trends, administer the site, improve site performance and gather broad demographic information for aggregate use.

### **Your Use of Information and Our Services**

In order to facilitate the transactions between PayPal members, our service allows you limited access other users' contact or shipping information. As a seller you may have access to the User ID, email address and other contact or shipping information of the purchaser, and as a purchaser you may have access to the User ID, email address and other contact information of the seller.

By entering into our User Agreement, you agree that, with respect to other users' personally identifiable information that you obtain through the site or through an PayPal-related communication or PayPal-facilitated transaction, you will only use this information for: (a) PayPal-related communications that are not unsolicited commercial messages, (b) using services offered through PayPal (e.g. insurance, shipping and fraud complaints), and (c) any other purpose that such user expressly agrees to after adequate disclosure of the purpose(s).

In all cases, you must provide users with the opportunity to remove themselves from your database and review any information you have collected about them. In addition, under no circumstances, except as defined in this Section, can you disclose personally identifiable information about another PayPal user to any third party without our consent and the consent of such other user after adequate disclosure. Note that law enforcement personnel and other rights holders are given different rights with respect to information they access.

PayPal does not tolerate spam. Therefore, without limiting the foregoing, you may not add a PayPal user to your mail list (email or physical mail) without their express consent after adequate disclosure, even if said user has previously made a purchase from you. We strictly enforce our Anti-Spam Policy! To report PayPal-related spam to PayPal, please contact us .

### **Merchant Referral Program**

When you sign up for a PayPal account, you become eligible to participate in our Merchant Referral Bonus program. We provide you with a link on the Merchant Referral Bonus page (available from the Referrals link in the footer of any PayPal page) which identifies you as the referrer. If a merchant uses that link to sign up for a Premier or Business PayPal account and completes the bonus requirements, you are eligible for a referral bonus. If you use a referral link to sign up, your business name (if you have a Business account) or first and last name (if you have a Premier account) may be listed in the referrer's PayPal account, along with the amount of bonus you have generated for the referrer, which is calculated as a percentage of your transaction volume, as described in the Merchant Referral Bonus Policy .

Please use our referral program responsibly. We strictly enforce our Anti-Spam Policy! Read details on the Referral Bonus by going to the Referrals link in the footer of any PayPal page.

### **D. Information Security**

#### **Information Security**

PayPal is committed to handling your customer information with high standards of information security. Your credit card and bank account information are stored only in encrypted form on computers that are not connected to the Internet. We restrict access to your personally identifiable information to employees who need to know that information in order to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard your nonpublic personal information. We test our security systems regularly and also contract with outside companies to audit our security systems and processes. For more information on PayPal's security practices, please visit the PayPal Security Center.

The security of your PayPal account also relies on your protection of your PayPal password. You may not share your PayPal password with anyone. PayPal will never ask you to send your password or other sensitive information to us in an e-mail, though we may ask you to enter this type of information on the PayPal website, which will always have a URL beginning with **<https://www.paypal.com/>** .

Any e-mail or other communication requesting your password, asking you to provide sensitive account information

via email, or linking to a website with a URL that does not begin with <https://www.paypal.com/> should be treated as unauthorized and suspicious and should be reported to PayPal immediately using the contact form available from the footer of any PayPal page. If you do share your PayPal password with a third party for any reason, including because the third party has promised to provide you additional services such as account aggregation, the third party will have access to your account and your personal information, and you may be responsible for actions taken using your password. If you believe someone else has obtained access to your password, please change it immediately by logging in to your account at / and changing your Profile settings, and also contact us right away as described in Section F below.

#### E. Accessing and Changing Your Information

You can review the personal information you provided us and make any desired changes to such information, or to the settings for your PayPal account, at any time by logging in to your account on the PayPal Web site and changing your preferences in the Profile page of the "My Account" tab. You can also close your account through the PayPal Web site. If you close your PayPal account, we will mark your account in our database as "Closed," but will keep your account information in our database. This is necessary in order to deter fraud, by ensuring that persons who try to commit fraud will not be able to avoid detection simply by closing their account and opening a new account. However, if you close your account, your personally identifiable information will not be used by us for any further purposes, nor sold or shared with third parties, except as necessary to prevent fraud and assist law enforcement, or as required by law (for example, to send former Money Market Fund investors a report of dividends paid during the calendar year for tax reporting purposes).

#### F. Contacting Us

If you have any questions about this privacy statement, PayPal's information practices, or your dealings with PayPal, you can contact us using the contact form available from the footer of any PayPal page, call 402-935-7733 Monday through Friday between the hours of 4am and 10pm PST, or write us at PayPal, P.O. Box 45950, Omaha, NE 68145-0950.

With respect to our privacy practices as a financial institution and our compliance with this Privacy Policy, PayPal is regulated by the Federal Trade Commission (FTC). You can obtain information about the FTC at <http://www.ftc.gov> (<http://www.ftc.gov>).

## Closing Accounts and Limiting Account Access

This Policy was last modified on February 7, 2003.

1. **In general.** In addition to the rights laid out in section 7.2 of the User Agreement, PayPal, at its sole discretion, also reserves the right to limit access to sending money or making withdrawals from an account for any one of the events listed below.
2. **If your Account Access is Limited.** If the dispute covers only a specific transaction, we will only limit access to funds related to that particular transaction. If your account access has been limited, you will be notified by e-mail and requested to provide information relevant to your account. PayPal will investigate the matter promptly. If the investigation is in your favor, we will restore access to your account. If the investigation is not in your favor, PayPal may return funds to the sender and restore access to the remainder of your account, continue to limit your account access for up to 180 days as is necessary to protect PayPal against the risk of reversals, or may close your account by giving you notice and mailing a check for any funds in your account (minus funds that are in dispute) to the address that you have provided. If you are later determined to be entitled to the funds in dispute, PayPal will make an additional payment of those funds to you. Any of the following events may lead to your account being limited:
  - a. Reports of unauthorized or unusual credit card use associated with the account including, but not limited to, notice by the card issuing bank. This includes notices made by you to your credit card company that a

transaction was unauthorized or your account compromised, and is done in order to protect you from further unauthorized use of your card;

- b. Reports of unauthorized or unusual bank account use associated with the account;
- c. Abuse by a buyer of the reversal process provided by the buyer's issuing bank;
- d. Consistent failure to pursue the Buyer Complaint Process described below before pursuing any alternate reversal process provided by the buyer's issuing bank;
- e. Complaints received regarding non-shipment of merchandise, non-delivery of services, merchandise not as described, or problems with merchandise shipped;
- f. Initiation by a buyer of a reversal process through the buyer's issuing bank without first pursuing the Buyer Complaint process described below;
- g. Receipt of potentially fraudulent funds;
- h. Excessive disputes or reversals, or attempts to "double dip" by receiving funds in a dispute both from PayPal and through a reversal or a refund from the seller;
- i. Refusal to cooperate in an investigation or provide confirmation of identity when requested;
- j. Initiation of transactions considered to be cash advances or assisting in cash advances (not including the use of the PayPal debit card);
- k. Sending unsolicited email or posting referral links on websites where they are not permitted;
- l. Opening multiple Personal accounts;
- m. The account has been used in or to facilitate fraudulent activity;
- n. Violations of this User Agreement;
- o. Name on the bank account associated with the PayPal account does not match the name on the PayPal account;
- p. Return of an incoming Electronic Funds Transfer for insufficient funds in the bank account, incorrect bank routing number, or incorrect bank account number;
- q. Use of an anonymizing proxy;
- r. Participating in prohibited transactions and activities, including but not limited to multi-level marketing programs, gifting clubs and other pyramid schemes, and listing items for sale that have a delayed delivery date of 20 days or more after the transaction list, and other activities that are prohibited in Part II of this Agreement;
- s. Reports from credit agencies of a high level of risk;
  - Receipt by PayPal of excessive complaints regarding your account, business or service; and/or
  - Logging in from a country not included on PayPal's permitted countries list.

PayPal will use reasonable efforts to investigate accounts that are subject to account access limitations and to reach a final decision on the limitations promptly.

# Electronic Fund Transfer Rights and Error Resolution Policy

This Policy was last modified on April 13, 2004.

1. **Liability for Unauthorized Transactions.** You can inspect your transaction history at any time by logging in to your account on the PayPal website and clicking the "History" tab. It is very important that you contact us at once if you believe your user ID or password has been compromised, or if someone has transferred or may transfer money using your account without your permission. Under applicable regulations, the extent of your liability for an unauthorized transaction may be determined by your promptness in notifying us if someone has gained access to your password, or if a payment or withdrawal shown in your History is incorrect or unauthorized. Notifying us quickly limits your liability:
  - a. PayPal will reimburse you in full for any losses from unauthorized transactions through PayPal that occur within 60 days after we first send you email notice of a transaction that you claim is unauthorized, or within 60 days after you otherwise become aware of unauthorized access to your account.
  - b. If you do not notify us within 60 days after receiving notice, you may not recover any money you lose after the 60 days if we can prove that we could have stopped someone from taking the money if you had notified us within that time. If a good reason (such as a long trip or hospital stay) kept you from notifying us, we may extend the 60-day time period.
2. **Notifying PayPal of Errors and Unauthorized Transactions.** To notify us if you believe there has been an error or unauthorized transaction, telephone PayPal Customer Service at (402) 935-7733, contact us using the report form available from the footer of any PayPal page, or write [CountryMailList/error-resolution-dept-single-line unprocessed] as soon as you can. We must hear from you as soon as possible after the problem or error has appeared on your on-line statement, or you may lose liability protection, as described in #1 above.

If you initially provide information to us via the telephone, we may require that you send your complaint or question in writing within 10 business days. Please complete the affidavit form as directed by the PayPal customer service representative and mail it to [CountryMailList/error-resolution-dept-single-line unprocessed] .

We will advise you of the results of our investigation within 10 business days after we hear from you (20 business days for transactions at a point of sale terminal or outside the United States) and if we have made an error, we will correct it promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question (90 days for transactions at a point of sale terminal or outside the United States). If we decide to do this, we will provisionally re-credit your Account within 10 days for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your question or complaint in writing and we do not receive it within 10 business days, we are not required to provisionally re-credit your Account.

At the end of our investigation, we will advise you of the results within three (3) business days. If we determine that there was no error, we will send you a written explanation and we may debit any provisional credit, any fees, and/or interest provisionally credited in relation to the alleged error. You may ask for copies of the documents that we used in our investigation.
3. **Our Liability for Errors.** If we do not complete a transaction on time or in the correct amount, according to our agreement with you, we will be liable for your losses or damages proximately caused by this failure. However, there are some exceptions. For instance, we will not be liable if:
  - Through no fault of ours, you do not have enough available funds to make the transaction.
  - Any terminal or system was not working properly and you knew about the breakdown when you started the transaction.



- Circumstances beyond our control (such as fire or flood) prevent the transaction, despite reasonable precautions that we have taken.

In the event that we discover a processing error, whether the favor is in your or PayPal's favor, PayPal will rectify the error. If the error results in your receiving less money than you were entitled to, PayPal will credit your PayPal account for the amount of money you should have received. If the error results in your receiving more money than you were entitled to, then PayPal reserves the right to correct the transactions that were incorrectly executed, regardless of the nature and cause of the error.

4. **Confidentiality.** We will disclose information to third parties about your Card account or the transactions you complete with the Card only in accordance with our Privacy Policy, including:

- In order to process and complete your transactions, including verifying the authenticity of the transaction;
- In order to comply with government agency or court orders, including proper requests from law enforcement agencies, or to conduct investigations of fraud or violations of our User Agreement; or
- If you give us your permission.

Please see our Privacy Policy for a complete description of our use and protection of your Account information, including our use of "cookies."

5. **What Constitutes a Business Day.** PayPal's business days are Monday through Friday. Saturday, Sunday, and Holidays are not considered business days.
6. **Stop Payments.** you have the right to cancel or stop any preauthorized transfer, such as a subscription fee, from your PayPal account. You can cancel the preauthorized transfer at any time prior to the day the payment is scheduled by logging in to your PayPal account and clicking the **History** subtab of the **My Account** tab. Find the subscription in question, click the **Details** link, and then click **Cancel Subscription** to cancel the preauthorized transfer.
7. **Retrieval Requests.** Upon written request, copies of documentary evidence of transactions on your PayPal account are available for income tax and other purposes at a cost of \$10 USD per item. As long as the computer you use to access your PayPal account is connected to a functioning printer, you can always print out your transaction history, or the details of a specific transaction, without any additional charge. We will not charge you for documentation obtained in connection with a good faith assertion of error in connection with your PayPal account.

## Seller Protection Policy

This Policy was last modified on 2005-MAR-11 .

1. **General.** PayPal's Seller Protection Policy is designed to protect sellers against unauthorized payments and against claims of non-receipt of merchandise. In order to be covered by the Seller Protection Policy, sellers must follow the risk-reduction procedures specified in #4 (Policy Conditions) below.

**When a seller receives funds through PayPal, if the buyer files an unauthorized transaction claim or a claim under PayPal's consumer protection programs (a "Buyer Claim"), or if the buyer files a credit card chargeback, a "Temporary Hold" will be placed on the funds. If the transaction qualifies for the Seller Protection Policy, the temporary hold will be lifted from those funds.**

**If the transaction does not qualify for the Seller Protection Policy, PayPal will review the Buyer Claim, including all information provided by the seller, and make a determination. In the case of a chargeback, PayPal will determine whether the chargeback can be disputed with the card-issuing bank. If PayPal disputes the chargeback, the "Temporary Hold" will continue until the dispute is decided by the applicable**

**card company (Visa, MasterCard, American Express or Discover).**

If the seller loses a Buyer Claim or a chargeback dispute and does not qualify for the Seller Protection Policy, the seller will owe PayPal for the amount of the reversed transaction. In the case of a chargeback, sellers who do not meet the requirements of the Seller Protection Policy will also owe a \$10.00 USD chargeback fee. PayPal will seek to recover the funds from sellers by debiting their PayPal balance. If there are not sufficient funds in the seller's PayPal balance, sellers have a choice of reimbursing PayPal by funding their PayPal account or by other means as described in the Payments (Sending, Receiving, and Withdrawing) Policy .

If a chargeback dispute is won, the "Temporary Hold" will be lifted and the seller will be free to use those funds, but the seller will be charged the \$10.00 USD chargeback fee if the transaction does not qualify for Seller Protection.

2. **Reversals.** The Seller Protection Policy covers up to \$5000 USD per year of reversals. Once the \$5000 USD annual limit has been reached (or the equivalent amount in the relevant currency below), the seller will be liable for additional reversals. At PayPal's sole discretion, select sellers may qualify to receive additional coverage above the annual limit.

**Table 2.**

Country	Amount
USD	\$5000 USD
CAD	\$6500 CAD
EUR	€4000 EUR
GBP	£3250 GBP
JPY	¥550000 JPY
AUD	\$7000 AUD

3. **The Seller Protection Policy does not cover:**
  - a. Intangible goods, services and sales or licenses of digital content. Only the sale of physical goods is covered.
  - b. Reversals arising from claims that goods are "not as described." To reduce your risk of "not-as-described" claims, PayPal recommends describing your item in a clear, detailed manner and including pictures of it in your listing.
4. **Policy Conditions.** All of the following conditions must be met for a transaction to qualify for the Seller Protection Policy.
  - a. **The transaction is between the categories of users marked with an "X" in the following chart:**

**Table 3.**

	U.S. Sellers	CA Sellers	U.K. Sellers
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U.S. Buyers	X	X	X
U.K. Buyers			X

Please note that while sellers outside of the U.S., U.K., and Canada may meet the following conditions of the Seller Protection Policy, they do not qualify at this time.

- b. **The seller has a Verified Business or Premier Account.**
- c. **The payment is listed as "Seller Protection Policy Eligible" on the Transaction Details page.** To see the Transaction Details for a payment, log in to your PayPal account and click the History subtab of the My Account tab, then click the Details link next to the transaction in question. If a transaction is not listed as "Seller Protection Policy Eligible" it will not be covered under the Seller Protection Policy.
- d. **The seller ships to the address listed on the Transaction Details page.** If a transaction is listed as "Seller Protection Policy Eligible" on the Transaction Details page (see 4.c above), sellers can ship to the address on the Transaction Details page, regardless of whether the address is "confirmed" or not. This is not the case for a seller shipping to a US buyer. When shipping to a US buyer, the seller must ensure that they ship to the Confirmed Address of the US buyer for the transaction to be "Seller Protection Policy Eligible". However, in other instances, UK sellers may find they have transacted with buyers who do not have a Confirmed address but who are still "Seller Protection Policy Eligible".
  - i. **Confirmed Addresses.** A confirmed address is not an eligibility requirement for the Seller Protection Policy. However, please note that shipping only to a confirmed address reduces the risk of fraud and should be considered if a transaction is not eligible for the Seller Protection Policy. A Confirmed Address is either the address at which the buyer receives their credit card statements, or an address of the buyer which PayPal has confirmed through an Alternate Address Confirmation . Because Confirmed Addresses must be in the account holder's name, addresses in someone else's name can never be confirmed.
- **The seller provides reasonable proof of delivery from an independent shipper. The delivery must be trackable online.** Proof of delivery should show that the address shipped to corresponds to the address on the Transaction Details page (see 4.d above). If a reversal occurs, you will need to provide PayPal with the name of your chosen shipping provider and the online tracking number. For your convenience, PayPal provides a list of popular and currently approved shippers.
- i. **For transactions equal to \$250 USD or more in value, the seller needs to provide a proof of receipt signed, or otherwise acknowledged, by the buyer.** A proof of delivery from the shipper which does not contain the buyer's signature or other acknowledgement will not be sufficient. The equivalent transaction amount in non-USD currencies at which the seller must provide online proof of receipt acknowledged by the buyer is as follows:
  - \$250 USD
  - \$325 CAD
  - €200 EUR
  - £150 GBP
  - ¥28000 JPY
  - \$350 AUD
- e. **The seller ships the item(s) to the buyer within 7 days of receiving payment.**

- f. **The seller accepted a single payment from one PayPal account for the purchase.** Please note: There is a greater risk of fraud when multiple payments from different PayPal accounts are used to pay for a single item.
- g. **The seller cooperates in resolving disputes by responding in a timely manner.** If PayPal contacts the seller with regard to a Buyer Claim or chargeback, the seller needs to provide the requested information to PayPal within seven days. In some cases, PayPal is required by the credit card association to respond in less than seven days. In these cases, PayPal requests the seller provide the requested information within three days. PayPal will indicate the response time required in an e-mail to the seller upon receipt of a Buyer Claim or chargeback.
- h. **The seller does not charge a surcharge for accepting PayPal payments.** Sellers should not charge buyers any additional fee (or "surcharge") if the buyer chooses PayPal as the method of payment.

## Buyer Complaint Policy

This Policy was last modified on 2005-JAN-14 .

1. **General.** PayPal's Buyer Complaint Policy provides a method for buyers to issue formal complaints regarding goods paid for through PayPal but never received, and regarding goods purchased on eBay and paid for through PayPal that the buyer receives but that are significantly not as described by the seller. The availability of this system as a back-up to direct communication between the buyer and the seller, and as a way to encourage such communication, helps maintain a safe trading community.
2. **Eligibility. Buyer complaints must be filed within 45 days of the payment.** Even if the buyer's claim is justified, the buyer will receive a recovery only if there are funds in the seller's account. **RECOVERY OF YOUR CLAIM IS NOT GUARANTEED.**

The Buyer Complaint Policy only applies to payments for tangible, physical goods which can be shipped, and excludes all other payments, including but not limited to payments for intangibles, for services or for licenses and other access to digital content. In addition, items prohibited in the PayPal Acceptable Use Policy are ineligible for coverage.

An eBay item is 'significantly not as described' if the seller clearly misrepresented the details of the item in a way that affects its value or usability. Please note that this does not include cases where the buyer is merely disappointed with the item or where the item did not meet all the buyer's expectations. If you file a claim for a 'significantly not as described' item, you will generally be required to return the item to the seller at your expense.

For eligible eBay transactions, PayPal automatically applies eBay's Standard Purchase Protection Program. A separate eBay claim is not needed. See eBay for details and eligibility.

**Table 4.**

Currency of Original PayPal Payment	Maximum Payout	eBay Processing Cost
U.S. Dollars	\$200 USD	\$25 USD
Canadian Dollars	\$315 CAD	\$40 CAD
Euros	€200 EUR	€25 EUR

Pounds Sterling	£120 GBP	£15 GBP
Australian Dollars	\$400 AUD	\$25 AUD
Yen	¥22000 JPY	¥2800 JPY

If you file a Buyer Complaint claim for an eBay transaction that is eligible for either the PayPal Buyer Protection Policy or the eBay Standard Purchase Protection Program, PayPal will automatically process your claim under these programs. You do not need to file a separate claim with eBay. For information about the PayPal Buyer Protection Policy, click here . For information about the eBay Standard Purchase Protection Program, click here (<http://pages.ebay.com/help/tp/isgw-fraud-claim-coverage.html>) .

If your purchase is made with PayPal Buyer Credit, you may be eligible for additional coverage beyond what the Buyer Complaint Policy covers. To review the PayPal Buyer Credit Policy, click here .

3. **Filing a Claim.** Before filing a claim, you should contact the seller and attempt to resolve the dispute. If you are unable to resolve the dispute in this manner, you can file a claim in PayPal's Resolution Center. You can access the Resolution Center through the Account Overview page that is presented to you when you log in to your PayPal account.

PayPal will contact the seller and investigate your claim. If the claim involves non-delivery of goods, the seller must present appropriate proof of shipment to the buyer's specified address. If the claim is granted, PayPal will seek to collect from the seller by debiting the seller's PayPal account. PayPal may also limit the seller's access to his or her PayPal account. If there is more than one claim against the same account, we will process the claims in the order they are received, and will pay out on each granted claim up to the amount of funds in the seller's account at the time the claim is awarded, but not more than the amount of the claim. However, there may not be sufficient funds in the seller's account to pay any of your claim. **RECOVERY OF YOUR CLAIM IS NOT GUARANTEED.**

Claims must be filed no later than 45 days from the date of payment. Only one claim may be filed per PayPal transaction. PayPal will seek to resolve the claim within 30 days of the date the claim is filed, though such time frame may be extended at PayPal's discretion to accommodate the investigation.

4. **Relationship between Buyer Complaint Policy and Credit Card Chargeback Rights.** If you used a credit card to fund a purchase of goods or services through PayPal, you may have chargeback rights granted by your credit card issuer. Credit card chargebacks, if they apply, can be filed more than 45 days after the transaction, are not limited to funds in the seller's balance, and cover cases where the goods are not as described by the seller as well as cases of non-delivery.

You can choose to pursue the Buyer Complaint process or your credit card chargeback rights; however, you cannot pursue both at the same time or seek a double recovery. If you initiate a Buyer Complaint claim and, while the claim is pending, you file a credit card chargeback, PayPal will cancel your Buyer Complaint claim, and you will have to rely solely on your credit card chargeback rights.

If you cancel your Buyer Complaint claim or it is denied or results in no refund, you may still be able to pursue credit card chargeback rights. In many cases, your credit card company will allow you to file a chargeback for 90 days or more after the date of the payment. If PayPal resolves a Buyer Complaint claim in the buyer's favor but the buyer does not receive a full recovery of their payment, and if the time for processing of the claim results in the buyer's loss of credit card chargeback rights, then PayPal will provide a full recovery to the buyer.

PayPal encourages all buyer purchase disputes that cannot be resolved directly with the seller to be filed and resolved through the Resolution Center. PayPal reserves the right to terminate or limit account access privileges of buyers who misuse the credit card chargeback process to get their money back and keep the goods, or to recover payment twice for the same dispute, or who file three or more chargebacks per 12-month period that are ruled invalid by the applicable card association or card issuer. PayPal reserves the right to contest credit card

chargebacks, in accordance with the rules of the applicable card issuer or card association.

If a chargeback claim is initiated by a buyer, whether as a result of a dispute with the seller or for any other reason, the buyer and seller agree to provide to any requesting party on a timely basis any and all necessary documentation to resolve the dispute. PayPal DOES NOT act as the agent of either party in any transaction or resulting dispute, though PayPal does decide the outcome of disputes initiated through the Buyer Complaint process.

## Buyer Credit Policy

This Policy was last modified on 2005-JAN-14 .

PayPal Buyer Credit (also referred to in this Policy as the "Credit Line") is issued by GE Capital Consumer Card Co. (GECCCC). PayPal Buyer Credit is governed by the GECCCC Credit Line Agreement . PayPal Buyer Credit users are also subject to the terms below and, as PayPal users, are subject to the general PayPal User Agreement .

### 1. Eligibility.

- a. Only U.S. residents may apply for PayPal Buyer Credit.

### 2. Applying for PayPal Buyer Credit.

- a. Eligible users can apply for PayPal Buyer Credit on PayPal's website. As part of the application process, GECCCC will ask you for personal information to determine whether your credit request can be approved.
- b. If you are approved for PayPal Buyer Credit, you will be notified on the PayPal website or via email. Once you are approved for Buyer Credit, it will automatically be noted in your PayPal account and will immediately be available to fund PayPal purchases up to the amount of your Credit Line.
- c. If your application is declined, you will be notified via U.S. mail. This letter will include the reason(s) your application was declined.
- d. In some cases, your application will remain pending until you have provided additional information to the PayPal Buyer Credit Service Center by phone. If you do not call the PayPal Buyer Credit Service Center within 72 hours of being notified to do so, your credit application will be declined. If you call with the additional information and your application is approved, you will be formally notified of your approval via a welcome email, and you will receive a welcome package in the mail.

### 3. Using PayPal Buyer Credit.

#### a. Payments

- i. PayPal Buyer Credit can be used to fund payments to any Premier or Business PayPal account.

#### A. Exceptions. PayPal Buyer Credit cannot be used in the following circumstances:

- I. As a Back Up Funding Source for failed bank transfers;
  - For 'Quasi-cash' transactions;
  - To restore a negative PayPal balance; or
  - As with other PayPal funding sources, PayPal Buyer Credit cannot be used if the risk of a particular transaction is deemed unacceptably high by PayPal's proprietary risk models.

ii. **Promotional financing**

- A. Promotional financing is financing on special terms that qualified eBay sellers can offer for items they are selling to customers who have or obtain a Credit Line.
- B. To be eligible to offer promotional financing, sellers must meet the following conditions:
  - I. You must be a U.S. or Canadian seller.
  - II. You must have a Verified Business or Premier PayPal account in good standing.
  - III. You must have at least 50 eBay feedback.
  - IV. Your eBay feedback must be at least 98% positive.
  - V. Your eBay email address must be registered and confirmed on your PayPal account.
- C. Sellers may offer promotional financing under one of the following terms, or may choose not to offer any promotional financing, at their discretion.
  - I. If the total purchase amount exceeds \$199 USD :
    - 1. No monthly payments for 3 months and no interest if paid in full in 3 months
    - 2. No interest if paid in 6 months (monthly payments of principal are required)
    - 3. No interest if paid in 12 months (monthly payments of principal are required)
  - II. If the total purchase amount exceeds \$999 USD :
    - 1. 12 fixed monthly payments at 12.9% APR
  - III. If the total purchase amount exceeds \$1999 USD :
    - 1. 24 fixed monthly payments at 12.9% APR

'Total purchase amount' means the final amount of the PayPal payment, according to the terms listed in the eBay listing, and including (where applicable) any shipping costs or applicable sales tax, but deducting the amount of any Gift Certificates, eBay Anything Points or Coupons applied to the payment. For example, if the buyer purchases a \$210 USD item by using PayPal Buyer Credit to fund \$160 USD and applies a \$50 USD Gift Certificate for the remainder of the payment, then the total purchase amount is \$160 USD and the transaction is not eligible for promotional financing.
- D. If you qualify to offer promotional financing, you can select a promotional financing offer from the eBay **Sell Your Item** form. If you use a listing service that supports promotional financing offers, you may also select the offer through that service. If you qualify and if you choose to offer promotional financing, the promotional financing offer will be displayed on your eBay listing.
- E. **Fees.** If a transaction that is eligible for promotional financing is paid by the buyer using PayPal Buyer Credit, the seller will be paid instantly as with a standard PayPal payment and will be subject to standard PayPal transaction fees. In addition, the seller will be charged a fee for the promotional financing, as outlined in the following fee table.

**Table 5.**

Promotional Financing Offer Used	Additional PayPal Seller Fee
No Payments or interest if paid within 3 months	0.50%
No interest if paid within 6 months (payments required)	1.75%
No interest if paid within 12 months (payments required)	3.75%
12 months fixed payment with 12.9% APR	0.60%
24 months fixed payment with 12.9% APR	1.50%

- F. Buyers can take advantage of promotional financing terms only when the following purchase conditions apply:
- I. The promotional financing offer appears in the eBay View Item "Financing Available" box.
  - II. The purchase price exceeds the minimum qualifying price listed in the eBay View Item "Financing Available" box.
  - III. The buyer funds the PayPal payment for the item with PayPal Buyer Credit.
  - **Multi-item purchases.** If a buyer wishes to purchase multiple items with different financing terms with a single PayPal payment, the buyer will receive the most favorable promotional financing terms for the entire transaction.

For example: A buyer wishes to purchase 3 items in a single transaction:

- I. Item 1, Price = \$200 USD ; Offer = No interest if paid in 6 months
- II. Item 2, Price = \$50 USD ; Offer = No promotional financing offered
- III. Item 3, Price = \$300 USD ; Offer = No interest if paid in 12 months

The total purchase amount of \$550 USD will receive the 'No Interest if paid in 12 months' offer.

### iii. Default Funding Sources

- A. **General.** When you pay for a purchase through PayPal, the following order will be used to determine your default funding source.
  - I. If there are available funds in your PayPal account balance ("PayPal balance"), they will be

used to fund the payment.

- II. If your PayPal balance is insufficient to fully fund the payment, you will be able to choose from the other available funding instruments on file to fund the remainder of the payment.
- III. If you have multiple funding sources available, PayPal will set the default funding source in the following order:
  - 1. PayPal balance
  - 2. Instant Transfer from Bank Account
  - 3. PayPal Buyer Credit
  - 4. Credit Card
  - 5. eCheck

- B. **If Promotional Financing Applies.** If you are eligible to use promotional financing and you have multiple funding sources available, PayPal will apply the default funding source in the following order:

- I. PayPal Buyer Credit
- II. PayPal balance
- III. Instant Transfer from Bank Account
- IV. Credit Card
- V. eCheck

iv. **Splitting Your Funding Source**

- A. You may not combine PayPal Buyer Credit with a credit card or bank account to fund a payment. For example, you cannot fund half of a payment with your PayPal balance and the other half with PayPal Buyer Credit. However, PayPal Buyer Credit can be combined with your PayPal balance, Gift Certificates, eBay Anything Points and Coupons under the following conditions:
  - I. If promotional financing does not apply to the transaction, PayPal Buyer Credit can be combined with PayPal Balance, Gift Certificates, eBay Anything Points and/or Coupons to fund a payment.
  - II. If promotional financing applies to the transaction, PayPal Buyer Credit can only be combined with Gift Certificates, eBay Anything Points and/or Coupons to fund a payment. You cannot use your PayPal balance to fund a portion of a transaction which uses promotional financing.

v. **Confirmed Addresses**

- A. The mailing address you used to apply for PayPal Buyer Credit will be considered a Confirmed Address in your PayPal Account if and when PayPal Buyer Credit is approved.
- B. If, after obtaining PayPal Buyer Credit, you move and add a new address, your new address will not be considered a Confirmed Address unless it is associated with a credit card and passes our standard address confirmation process.

vi. **PayPal Sending Limits**

- A. If your PayPal account is not Verified, then before applying for PayPal Buyer Credit, you will have a Sending Limit between \$0 USD and \$2000 USD before you must verify your account. If you are approved for PayPal Buyer Credit, transactions funded with PayPal Buyer Credit will not count against your PayPal sending limit, and your PayPal Sending Limit for other funding sources will be set at \$2000 USD .
- B. If a payment is partially funded with PayPal Buyer Credit, only the amount funded with PayPal Buyer Credit will not count against your Sending Limit. The portion funded with the non-PayPal Buyer Credit funding source will count against your Sending Limit.
- C. For more information about PayPal Sending Limits and Verification, please see the Payments (Sending, Receiving and Withdrawals) Policy .

vii. **Buyer Protection**

- A. **General.** Full Buyer Protection with PayPal Buyer Credit is available on purchases made using the Credit Line. Buyer Protection from PayPal is in addition to any rights you have to dispute charges to your Credit Line with the credit issuer. As stated in the Billing Rights Notice provided with the Credit Line Agreement, if you have a problem with the quality of goods or services that you purchased using your Credit Line and you have tried in good faith to correct the problem with the merchant, you may not have to pay the remaining amount due on your Credit Line for the Advance(s) related to such goods or services.

Full Buyer Protection with PayPal Buyer Credit provides coverage beyond the existing PayPal protection programs (PayPal Buyer Protection and the Buyer Complaint Process) and helps buyers who pay with PayPal Buyer Credit recover the full purchase amount from eBay sellers who do not deliver the promised goods or who deliver goods which are 'significantly-not-as-described' in the eBay listing.

In addition, Full Buyer Protection with PayPal Buyer Credit helps buyers recover the full purchase amount for payments made with PayPal Buyer Credit from online merchants outside the eBay marketplace who do not deliver the promised goods.

- B. **Amount of Coverage.** If your claim is granted for a transaction funded by PayPal Buyer Credit, PayPal will reimburse you for losses up to the full purchase amount, not just up to the maximum payout limit which applies to standard PayPal Buyer Protection for eBay transactions. Your reimbursement will be paid in the currency of the original PayPal payment up to the full purchase amount.
- C. **Eligibility.** Full Buyer Protection with PayPal Buyer Credit is available only on transactions where the buyer used PayPal Buyer Credit to fund the payment, and that meet the following qualifications.

- I. **Item Qualification Requirements.** The item sold must be a tangible, physical item or good which can be shipped. All other items are ineligible for coverage under Full Buyer Protection with PayPal Buyer Credit, including but not limited to intangible goods, services, quasi-cash, gift certificates, and downloadable or streaming content. Motor vehicles (including cars, boats, and planes), and Live Auctions will not be covered. In addition, items prohibited in the PayPal Acceptable Use Policy are ineligible for coverage. **If an item does not meet the above requirements, it is ineligible for coverage under Full Buyer Protection with PayPal Buyer Credit.**

- II. **Buyer Qualification Requirements.**



1. Send a single PayPal payment for the full price of the item to the PayPal account specified by the seller in the listing, using PayPal Buyer Credit to fund all or part of the payment. A buyer may send the payment to any email address associated with the seller's PayPal account.

If the buyer sends payment to a different PayPal account, even at the seller's request, the transaction will not be covered by Full Buyer Protection with PayPal Buyer Credit. If PayPal discovers sellers requesting payment be sent to a different PayPal account than the one originally used in the listing, that seller will be investigated and may have their account limited or closed.

2. File the claim within 45 days of the date of the payment, as described in section 3.a.7.iv.3 below.

III. **Partial Funding.** If a buyer partially funds a purchase with PayPal Buyer Credit, the entire purchase amount is eligible for Full Buyer Protection with PayPal Buyer Credit. For example, if PayPal balance, Anything Points, Coupons or Gift Certificates is insufficient to cover the full purchase amount, and the buyer uses PayPal Buyer Credit to fund the remaining amount, then the entire purchase amount is eligible for Full Buyer Protection with PayPal Buyer Credit, provided that the other Qualification Requirements in this section are met.

IV. **No More Than Three Claims Awarded Per Year.** Buyers are limited to receiving no more than three claim payouts per calendar year for claims filed on purchases funded with PayPal Buyer Credit. After a buyer reaches the award limit, he or she may file additional claims under PayPal's standard Buyer Complaint Process. Recovery of funds, however, will not be guaranteed under the Buyer Complaint Process and 'significantly not-as-described' eBay items are covered only on eBay items.

**Claim payout limits apply for both PayPal Buyer Protection claims and claims filed for purchases made with PayPal Buyer Credit.** For example, a payout for a PayPal Buyer Credit claim and a payout for a PayPal Buyer Protection claim will both count toward the same award limit; if a claim were filed beyond the award limit for either a PayPal Buyer Protection eligible item or a payment made with PayPal Buyer Credit, this additional claim would fall under PayPal's standard Buyer Complaint Process.

If a buyer reaches the award limit while another claim filed for a purchase made with PayPal Buyer Credit (or another PayPal Buyer Protection claim) remains pending, that claim will automatically revert to coverage under the standard Buyer Complaint Process.

V. **Final Decision.** The decision to offer Full Buyer Protection with PayPal Buyer Credit for a transaction is at the sole discretion of eBay.com and PayPal. If Full Buyer Protection with PayPal Buyer Credit is not offered at the time the buyer files a claim, the decision cannot be appealed.

#### D. Buyer Protection Claims.

I. **Reasons to File a Claim.** A buyer may file a Buyer Protection Claim for a purchase made with PayPal Buyer Credit for one of the following reasons:

1. The seller did not deliver the promised goods. If the buyer does not receive the goods purchased, he or she is eligible for coverage. Buyers should wait a reasonable amount of time - at least a week - to receive the item, and should first attempt to contact the seller and resolve the dispute before filing a claim.

2. For items purchased on eBay, the item delivered by the seller is 'significantly not-as-described' in the item listing. An item is 'significantly not-as-described' if the eBay seller clearly misrepresented the details of the item in a way that affects its value or usability. Only items purchased in eBay listings are eligible for 'significantly not-as-described' coverage. Please note that this does not include cases where you are merely disappointed with the item or where the item did not meet your expectations. Reasons that an item may be considered 'significantly not-as-described' include, but are not limited to, the following:
  - a. The item is completely different than what the seller had presented in his listing.
  - b. The condition of the item is significantly different.
  - c. The item in its received state is unusable and was not disclosed as such.
  - d. The item is not authentic and was advertised as authentic in the listing.
  - e. The item is missing a major portion or quantity.

There may be times when the characteristics of the item or the situation do not exactly match the listing in all respects, but do not render the items 'significantly not-as-described'. PayPal encourages all buyers and sellers to communicate with each other before and after the transaction to prevent these issues from occurring. For items that do not qualify as 'significantly not-as-described', we still encourage the buyer and seller to find an equitable solution. PayPal will reserve the right to make a decision on whether an item is 'significantly not-as-described' if the buyer and seller cannot agree. **Once PayPal has made a decision on a 'significantly not-as-described' item, that decision is final and cannot be appealed.**

- II. **One Claim Per Payment.** You may only file one claim per PayPal Buyer Credit payment.
- III. **Filing a Claim Within 45 Days.** Before filing a claim, contact the seller and attempt to resolve the dispute. If you are unable to resolve the dispute in this manner, file a claim in PayPal's Resolution Center.

PayPal will contact the seller and investigate your claim. If the claim involves non-delivery of goods, the seller must present appropriate proof of delivery to the buyer's specified address. If the claim is granted, PayPal will reimburse you up to the full purchase amount. If your payment was funded wholly or partly with your Credit Line, PayPal will reimburse you first by issuing a refund to your Credit Line, and then by crediting any remaining amount to your PayPal balance.

Claims must be filed no later than 45 days from the date of payment. Only one Claim may be filed per PayPal transaction. PayPal will seek to resolve the claim within 30 days of the date the claim is filed, though such time frame may be extended, if appropriate, to accommodate the investigation. This policy applies only to the sale of tangible, physical goods and excludes all other sales and services, pursuant to section 3.c.7.iii.1 above.

- IV. **Buyer Responsibilities.** You agree to respond to any PayPal inquiries regarding the claim within the time specified. If you fail to respond to PayPal's request for more information, your claim will be cancelled and you will not receive a refund.

If you file a claim for a 'significantly not-as-described' eBay item, you will generally be re-

quired to return the item to the seller, at your own expense. Buyers in the United States, Canada, and the United Kingdom must use an online-trackable shipping method to return the item to the seller, and will be asked to provide the tracking number to PayPal. For transactions equal to \$250 USD (or the equivalent in the currency of the transaction) or more in value, you will also need to provide an online proof-of-receipt in the form of a signature from the recipient. Buyers outside the United States, Canada, and the United Kingdom should use an online-trackable shipping method if one is available. Once PayPal has confirmed that the seller has received the item, your refund will be processed. Additionally, in some instances, the seller may choose to forego having the item returned. In some instances, PayPal may ask you to support your claim by supplying a copy of the police report you filed.

In some cases, buyers will be asked to specify the amount of the refund they would find acceptable to settle the dispute. If you specify a partial refund amount that is less than the amount of the original transaction, and the seller agrees to refund the amount you specified, PayPal will consider the claim to be successfully resolved.

V. **Decisions are final.** Once PayPal has closed a claim, it cannot be reopened.

- E. **Seller Liability and Other Responsibilities.** If you are a seller, you agree to respond to any PayPal inquiries regarding a claim filed against you within the time specified. If you fail to respond to PayPal's request for more information, you forfeit your right to appeal and the refund will be paid to the buyer from your PayPal account. You must respond to PayPal's inquiries. You may only appeal PayPal's decision if the claim was for an item "significantly not as described" and the item was no longer in its original condition when the buyer returned the item to you.

In the event that PayPal grants a buyer's claim against you under this PayPal Buyer Credit Policy, you agree to hold PayPal harmless and to reimburse PayPal for the full purchase amount, from either your PayPal account or by other means.

PayPal recommends that you provide thorough descriptions and photos of the actual item in the eBay listing to protect yourself against 'significantly not-as-described' claims.

In the event that a claim for a PayPal Buyer Credit payment is decided in the buyer's favor, you are responsible for reimbursing PayPal for the full amount refunded to the buyer. This could mean that your PayPal account balance will go negative for the entire purchase amount. In addition, if your account balance becomes negative, your PayPal account access may be limited until PayPal has been reimbursed for the full amount of the refund. If a claim is filed against you, we recommend keeping sufficient funds to cover the refund of the payment in your PayPal balance to avoid having your balance become negative.

F. **Additional Terms and Conditions.**

- I. **Availability.** PayPal reserves the right to change or discontinue Full Buyer Protection with PayPal Buyer Credit for any reason, at any time and for any duration at its sole discretion, and without notice as to future transactions. Pending claims and claims for transactions already completed at the time of any such discontinuance will continue to be processed until a final decision is reached.
- II. **Currency.** Unless otherwise stated, all amounts in these Terms and Conditions are in U.S. Dollars.
- III. **Single PayPal or eBay Claim.** You may not file a claim with both PayPal and eBay for the

same transaction. If your claim for a PayPal Buyer Credit payment is paid, any eBay claim will be denied. If your PayPal claim is denied, your eBay claim will also be denied.

IV. Contacting the issuer of PayPal Buyer Credit. Filing a claim through the PayPal Security Center will not result in an inquiry or dispute being placed with the issuer of your PayPal Buyer Credit line. If you wish to file an inquiry or dispute with the issuer of PayPal Buyer Credit, please call 1-866-571-3012.

G. **Reversals.** If a payment funded only with PayPal Buyer Credit is reversed in full or in part, a credit in the amount of the reversal will be posted back to the buyer's Credit Line. If a payment funded in part with PayPal Buyer Credit is reversed in full, the proportional amount will be credited back to the buyer's Credit Line. If a payment funded in part with PayPal Buyer Credit is partially reversed, the amount of the reversal will first be credited fully or proportionately to the Buyer's Credit Line per the rules above, before any other funding source is restored.

H. **Contact Information for PayPal Buyer Credit.**

I. Contacting Customer Service for the Issuer of PayPal Buyer Credit.

If you have questions regarding your PayPal Buyer Credit line, you may contact the PayPal Buyer Credit Service Center at # 1-866-571-3012 (Monday - Saturday 5AM to 9PM, Sunday 7AM to 7PM PST). You may also write to:

PayPal Buyer Credit

PO Box 981064

El Paso, TX 79998-1064

When contacting the PayPal Buyer Credit Service Center by phone, they will ask you to verify your Zip Code and your PayPal Buyer Credit number. They will NEVER ask you for your PayPal Account password, email address or any other financial information that you have registered with your PayPal account.

II. Changing and Updating Your Information.

When you update your address or phone number on the PayPal website or with PayPal Customer Service, it does not automatically update the address where your PayPal Buyer Credit statement is mailed.

You can change your address or telephone number in the space provided on your paper billing statement. You may also call 866-571-3012 (Monday - Saturday 5AM to 9PM, Sunday 7AM to 7PM PST), or write to us at:

PayPal Buyer Credit

P.O. Box 981064

El Paso, TX 79998-1064

## PayPal Buyer Protection Policy

This Policy was last modified on 2005-FEB-11 .

1. **General.** PayPal Buyer Protection is designed to help buyers recover funds from eBay sellers who do not deliver the promised goods, or who deliver goods that are 'significantly not as described' in the listing. As defined in more detail in section 4.a.2, below, an item is 'significantly not as described' if the seller clearly misrepresented the details of the item in a way that affects its value or usability. Please note that this does not include cases where the buyer is merely disappointed with the item or where the item did not meet all the buyer's expectations. If you file a claim for a 'significantly not as described' item, you will generally be required to return the item to the seller at your expense.
2. **Amount of Coverage.** If your PayPal Buyer Protection claim is granted, PayPal will reimburse you for losses up to the amount shown below. Your reimbursement will be paid in the currency of the original PayPal payment, up to the maximum payout listed in the table below:

**Table 6.**

Currency of Original PayPal Payment	Maximum Payout
Euros	€400 EUR
Canadian Dollars	\$1250 CAD
Pounds Sterling	£500 GBP
US Dollars	\$1000 USD
Yen	¥112000 JPY
Australian Dollars	\$1500 AUD

If you make a single payment for multiple listings, each listing will be eligible for the maximum payout, subject to the limitation of no more than three claims awarded per year, as described in Section 4.b below. If you purchase multiple quantities of an item from a single listing, you are only eligible for the payout on the entire listing, not each individual item. For items worth more than the maximum payout as listed above, if the case is decided in the buyer's favor, PayPal will reimburse the buyer up to the maximum payout. In addition, PayPal will make reasonable efforts to recover the remainder of the refund from the seller. However, recovery of funds greater than the maximum coverage is not guaranteed.

If an item is eligible for PayPal Buyer Protection and your purchase is made with PayPal Buyer Credit, you may be eligible for additional coverage in addition to what PayPal Buyer Protection offers. To review the PayPal Buyer Credit Policy, [click here](#).

If you purchase Money Back Guarantee protection on the transaction, your claim will go through the Money Back Guarantee claim process instead of the PayPal Buyer Protection process. The Money Back Guarantee covers goods whether or not they are as described. The Money Back Guarantee is only available to U.S. buyers and only on selected transactions, as displayed at the time of payment.

3. **Eligibility.** PayPal Buyer Protection will be offered on the eBay listings of sellers who meet the qualification requirements at the time of posting the listing. If a listing is eligible for PayPal Buyer Protection, a PayPal Buyer Protection Seal will be inserted on the listing.
  - a. **Seller Qualification Requirements.** A seller's eBay listings are eligible to qualify for PayPal Buyer Pro-

tection coverage if the following conditions are met:

- i. The seller's eBay feedback rating is at least 50;
- ii. At least 98% of the seller's eBay feedback is positive. The percentage calculation for this purpose includes feedback from repeat users, and therefore may be higher than the unique positive feedback percentage displayed on eBay;
- iii. The seller is a member of PayPal in one of the following countries:
  - U.S.
  - Canada
  - Germany
  - U.K.
  - France
  - Italy
  - Australia
- iv. The seller has a Verified Premier or Business PayPal account;
- v. The seller's PayPal account is in good standing.

A seller may check whether he or she might be eligible for PayPal Buyer Protection from the "Seller Eligibility for PayPal Buyer Protection" page. The "Seller Eligibility for PayPal Buyer Protection" page is available from the **Profile** subtab of the **My Account** tab of the seller's PayPal account. This page is only accessible by sellers in countries where PayPal Buyer Protection eligibility is available. However, because a seller's eligibility status may change, the final eligibility decision will be made by eBay at the time of listing.

Eligibility for PayPal Buyer Protection is automatic, based on the above guidelines. Sellers may contact PayPal by telephone to request to opt out of PayPal Buyer Protection. Any request will be evaluated by PayPal. To contact PayPal about your PayPal Buyer Protection eligibility, log in to your PayPal account and click on the Help link in the upper right-hand corner of the page. Go to the "Contact Us" link, and then choose "Help By Phone" link.

- b. **Listing Qualification Requirements.** For an individual listing to qualify for PayPal Buyer Protection, the seller must:
  - i. List the item on one of the following eligible eBay sites:
    - [www.eBay.com](http://www.eBay.com)
    - [www.eBay.ca](http://www.eBay.ca)
    - [www.eBay.co.uk](http://www.eBay.co.uk)
    - [www.eBay.de](http://www.eBay.de)
    - [www.eBay.fr](http://www.eBay.fr)
    - [www.eBay.it](http://www.eBay.it)
    - [www.eBay.com.au](http://www.eBay.com.au)



- ii. Select PayPal as an accepted payment method during the eBay listing process and provide his or her PayPal email address. If the seller is listing the item through the Sell Your Item form, this information is entered in Step 4: Payment & Shipping. Sellers can also list with bulk listing tools or 3rd party listing services, but it is the seller's responsibility to ensure that PayPal is selected as an accepted payment method.
  - iii. The item sold in the listing must be a tangible, physical item or good which can be shipped. All other items are ineligible for PayPal Buyer Protection coverage, including but not limited to intangible goods, services, quasi-cash, gift certificates, and downloadable or streaming content. Motor vehicles (including cars, motorcycles, boats, and planes), and Live Auctions will not be covered. In addition, items prohibited in the PayPal Acceptable Use Policy are ineligible for coverage. **If an item does not meet the requirements in this section b.3, it is ineligible for PayPal Buyer Protection coverage, even if the PayPal Buyer Protection Seal is displayed in the item listing.**
- c. **Buyer Qualification Requirements.** To qualify for PayPal Buyer Protection on a qualified listing, the buyer must:
- i. File the claim within 45 days of the date of the payment, as described in 4.e below.
  - ii. Send a single PayPal payment for the full price of the item to the PayPal account specified by the seller in the listing. A buyer may send the payment to any email address associated with the seller's PayPal account. If the buyer sends payment to a different PayPal account, even at the seller's request, the transaction will not be covered by PayPal Buyer Protection. If PayPal discovers sellers requesting payment be sent to a different PayPal account than the one originally used in the listing in order to avoid Buyer Protection coverage, that seller's account access may be limited.
  - iii. Associate the PayPal payment with the eBay listing. For example, when paying through the Send Money tab, the buyer must select "eBay Item" as the payment type and must enter the correct Item Number before making the payment.

To be sure you meet the above requirements, PayPal suggests paying via the gray "Pay Now" button on the closed eBay listing. This will ensure the payment is sent to the correct PayPal account and associated with the listing in question.

Note: PayPal Buyer Protection is only available to registered PayPal members.

- d. **Combined Payments.** If a buyer makes a combined payment (paying for multiple listings with a single PayPal payment) to a seller and one of the items is eligible for PayPal Buyer Protection, all of the items will be considered eligible, provided they meet the Listing Qualification Requirements in section 3.b above.
  - e. **Final Decision.** The decision to offer PayPal Buyer Protection on a given listing is at the sole discretion of eBay.com and PayPal. If PayPal Buyer Protection is not offered at the time the seller posts the listing, the decision cannot be appealed.
4. **Claims.**
- a. **Reasons to File a Claim.** A buyer may file a PayPal Buyer Protection Claim for one of the following reasons:
    - i. **The seller did not deliver the promised goods.** If the buyer does not receive the goods purchased, he or she is eligible for coverage. Buyers should wait a reasonable amount of time - at least a week - to receive the item, and should first attempt to contact the seller and resolve the dispute before filing a claim.

- ii. **The item delivered by the seller is 'significantly not-as-described' in the item listing.** An item is 'significantly not-as-described' if the seller clearly misrepresented the details of the item in a way that affects its value or usability. Please note that this does not include cases where you are merely disappointed with the item or where the item did not meet your expectations. Reasons that an item may be considered 'significantly not-as-described' include, but are not limited to, the following:
- A. The item is a completely different item than that which was presented by the seller in the listing, e.g. an audio book instead of a printed book, a desktop computer instead of a laptop, a picture of an item instead of the actual item; or an empty box;
  - B. The condition of the item is significantly different. For example, if the item has clearly been used multiple times rather than 'almost new' or 'still in box' or is obviously repackaged rather than 'mint';
  - C. The item is unusable and was not disclosed as such. For example, if there are missing major parts or components, will not function or turn on, or spoiled or past a relevant date. (NOTE: this applies to the item in its received state, no matter what the condition when it was shipped.);
  - D. The item is not authentic and was not disclosed as such. For example, if a fake or knock-off item that was advertised as authentic or a completely different or inferior brand of a similar product; or
  - E. The item is missing a major portion or quantity. For example, if the buyer ordered 4 dozen golf balls but only received 1 dozen or 4 golf balls or the item is missing a primary component, like a blender missing a top or coffee maker missing the bottom plate.

An item is not considered 'significantly not-as-described' if:

- A. The item fits into one of the 'significantly not-as-described' categories but was reasonably and prominently described in the listing as such. For example, if the listing states one of the following: "Item is being sold as is," "Item may not work properly," "Item is missing some parts," or "See picture for scratches or damages";
- B. The item is not wanted by the buyer after s/he sees it in person but was properly described in the listing;
- C. The description could have been reasonably misinterpreted by the buyer or the seller. For example, if the item is a different color than advertised (e.g. the item is aqua-marine but was advertised as teal);
- D. The item did not meet your expectations; or
- E. Item has minor scratches but was listed as 'in used condition'.

Please note that these are representative examples. There may be times when the characteristics of the item or the situation do not render the items 'significantly not-as-described.' PayPal encourages all buyers and sellers to communicate with each other before and after the transaction to prevent these issues from occurring. For items that do not qualify as 'significantly not-as-described', we still encourage the buyer and seller to find an equitable solution. PayPal will reserve the right to make a decision on 'significantly not-as-described' if the buyer and seller cannot agree. **Once PayPal has made a decision on a 'significantly not-as-described' item, that decision is final and cannot be appealed.**

- b. **No More Than Three Claims Awarded Per Year.** Buyers are limited to receiving no more than three PayPal Buyer Protection claim payouts per calendar year. Each listing in a multiple-item payment is considered a separate claim award. After a buyer reaches the award limit, he or she may file additional claims under PayPal's standard Buyer Complaint Process. Recovery of funds, however, will not be guaranteed under the Buyer Complaint Process and 'significantly not-as-described' items are covered only on eBay

items.

If a buyer reaches the award limit while another PayPal Buyer Protection claim remains pending, that claim will automatically revert to coverage under the standard Buyer Complaint Process.

- c. **One Claim Award Per Listing.** You may only receive one PayPal Buyer Protection award per eBay listing. For multiple-listings under one PayPal payment, each qualified listing is eligible for up to the maximum payout in coverage.
- d. **One Claim Per Payment.** You may only file one PayPal Buyer Protection claim per PayPal payment. If you purchased multiple qualified items with a single PayPal payment, you must identify all the items on which you are claiming PayPal Buyer Protection in a single claim. A PayPal Buyer Protection claim may not be edited or changed after it has been filed.
- e. **You Must File a Claim Within 45 Days.** Before filing a claim, contact the seller and attempt to resolve the dispute. If you are unable to resolve the dispute in this manner, file a claim in PayPal's Resolution Center.

PayPal will contact the seller and investigate your claim. If the claim involves non-delivery of goods, the seller must present appropriate proof of delivery to the buyer's specified address. If the claim is granted, PayPal will reimburse you up to the maximum amount specified above, and will use reasonable efforts to collect from the seller any additional amount you paid above the maximum. PayPal may also limit the seller's access to his or her PayPal account. If your payment was funded wholly or partly with a credit card, PayPal will reimburse you (up to the maximum) first by issuing a refund to your credit card, and then by crediting any remaining amount to your PayPal balance.

PayPal will seek to resolve the claim within 30 days of the date the complaint is filed, though such time frame may be extended, if appropriate, to accommodate the investigation. This policy applies only to the sale of tangible, physical goods and excludes all other sales and services, pursuant to section 3.b.3 above.

- f. **Buyer Responsibilities.** You agree to respond to any PayPal inquiries regarding the claim within the time specified. If you fail to respond to PayPal's request for more information, your claim will be cancelled and you will not receive a refund.

**If you file a claim for a 'significantly not-as-described' item, you will generally be required to return the item to the seller, at your own expense.** Buyers in the United States, Canada, and the United Kingdom must use an online-trackable shipping method to return the item to the seller, and will be asked to provide the tracking number to PayPal. For transactions equal to \$250 USD (or the equivalent in the currency of the transaction) or more in value, you will also need to provide an online proof-of-receipt in the form of a signature from the recipient. Buyers outside the United States, Canada, and the United Kingdom should use an online-trackable shipping method if one is available. Once PayPal has confirmed that the seller has received the item, your refund will be processed. Additionally, in some instances, the seller may choose to forego having the item returned. In some instances, PayPal may ask the buyer to file a police report on the transaction to support your claim.

In some cases, buyers will be asked to specify the amount of the refund they would find acceptable to settle the dispute. If you specify a partial refund amount that is less than the amount of the original transaction, and the seller agrees to refund the amount you specified, PayPal will consider the claim to be successfully resolved.

- g. **Seller Responsibilities.** You agree to respond to any PayPal inquiries regarding a claim filed against you within the time specified. If you fail to respond to PayPal's request for more information, you forfeit your right to appeal and the refund will be paid to the buyer from your PayPal account. You must respond to PayPal's inquiries even if you believe the listing does not qualify for PayPal Buyer Protection under the rules listed in 3.b, above. You may only appeal PayPal's decision if the item was no longer in its original condition (more than the normal wear from shipping) when the buyer returned the item to you.

If the buyer claims that the item was not received, you must be able to prove that the item was shipped by

providing PayPal with an online-tracking number.

In the event that PayPal grants a buyer's claim against you under this PayPal Buyer Protection Policy, you agree to hold PayPal harmless for the reversal amount and to reimburse PayPal from either your PayPal account or by other means.

PayPal recommends that you provide thorough descriptions and photos of the actual item in the eBay listing to protect yourself against 'significantly not-as-described' claims.

In the event that a PayPal Buyer Protection claim is decided in the buyer's favor, you are responsible for reimbursing PayPal for the amount refunded to the buyer. This could mean that your PayPal account balance will go negative. In addition, your PayPal account access may be limited until PayPal has been reimbursed for the full amount of the refund. If a claim is filed against you, we recommend keeping sufficient funds to cover the refund of the payment in your PayPal balance to avoid having your balance become negative.

If you want to opt out of having your listings covered by PayPal Buyer Protection, you may contact PayPal by telephone at 402-935-2050 to request to opt out. Any request will be evaluated by PayPal.

h. **Decisions are final.** Once PayPal has closed a claim, it cannot be reopened.

5. **Additional Terms and Conditions.**

- a. **Availability.** PayPal reserves the right to change or discontinue the PayPal Buyer Protection program for any reason, at any time and for any duration at its sole discretion. Pending claims at the time of any such discontinuance will continue to be processed under the existing program rules until a final decision is reached.
- b. **Currency.** Unless otherwise stated, all amounts in these Terms and Conditions are in U.S. Dollars.
- c. **Access to proof of shipment.** PayPal may access shipping information from the courier on your behalf to verify shipment status.
- d. **Single PayPal or eBay Claim.** You may not file a claim with both PayPal and eBay for the same transaction. If your PayPal Buyer Protection claim is paid, any eBay claim will be denied. If your PayPal Buyer Protection claim is denied, we will automatically check whether your claim is eligible for eBay's Standard Purchase Protection Program. You do not need to file a separate claim with eBay.

6. **Relationship between PayPal Buyer Protection and Credit Card Chargeback Rights.** If you used a credit card to fund a purchase of goods or services through PayPal, you may have chargeback rights granted by your credit card issuer. Credit card chargebacks, if they apply, can be filed more than 45 days after the transaction, are not limited to \$1000 USD and are not limited to three claims per year.

You can choose to pursue the PayPal Buyer Protection process or your credit card chargeback rights; however, you cannot pursue both at the same time or seek a double recovery. If you initiate a PayPal Buyer Protection claim and, while the claim is pending, you file a credit card chargeback, PayPal will cancel your PayPal Buyer Protection claim, and you will have to rely solely on your credit card chargeback rights.

If you cancel your PayPal Buyer Protection claim or it is denied, you may still be able to pursue credit card chargeback rights. In many cases, your credit card company will allow you to file a chargeback for 90 days or more after the date of the payment. If PayPal resolves a PayPal Buyer Protection claim in the buyer's favor but the buyer does not receive a full recovery of their payment, and if the time for processing of the claim results in the buyer's loss of credit card chargeback rights, then PayPal will provide a full recovery to the buyer.

PayPal encourages all buyer purchase disputes that cannot be resolved directly with the seller to be filed and resolved through the Resolution Center. PayPal reserves the right to terminate or limit account access privileges of buyers who misuse the credit card chargeback process to get their money back and keep the goods, or to re-

cover payment twice for the same dispute. PayPal reserves the right to contest credit card chargebacks, in accordance with the rules of the applicable card issuer or card association.

If a chargeback claim is initiated by a buyer, whether as a result of a dispute with the seller or for any other reason, the buyer and seller agree to provide to any requesting party on a timely basis any and all necessary documentation to resolve the dispute. PayPal DOES NOT act as the agent of either party in any transaction or resulting dispute, though PayPal does decide the outcome of disputes initiated through the PayPal Buyer Protection process.

## Money Back Guarantee Policy

This Policy was last modified on 2005-JAN-14 .

1. **General.** PayPal's Money Back Guarantee program, which applies to selected physical goods transactions for less than \$1000 USD , ensures that if you buy the Guarantee, you will be satisfied with your purchase or have an option to resell the merchandise to PayPal for the price you paid for it for the first 45 calendar days following the date of payment or seven days after receipt, whichever is earlier. PayPal will not reimburse you for the Guarantee fee or for any shipping costs you incur in returning the merchandise. PayPal's obligation to reimburse you if you buy the Guarantee is subject to the requirements specified in sections ii and iii below and to your filing a complete and accurate reimbursement request as described in section iv below. This Guarantee is applied in addition to any protection you may already have.
  - a. **Cost of Guarantee.** The cost of the Money Back Guarantee will be displayed on eligible transactions at the time of payment. If a transaction is eligible, the Money Back Guarantee must be purchased as part of the original transaction. This fee will not be refunded under any circumstances, except if the seller initiates a refund of the transaction before the buyer has filed a request for reimbursement under the Money Back Guarantee.
  - b. **Requirements for Offering the Guarantee.** The Money Back Guarantee will be offered only on selected transactions, and even if offered and purchased, the Guarantee will not cover excluded items as described in Section iii below. If PayPal is offering the Money Back Guarantee on a transaction, the option to purchase the Money Back Guarantee will be displayed during the payment flow.

The general requirements for a transaction to be eligible for the Guarantee offer are:

- i. **Transaction-based requirements.** The Guarantee will only be offered for transactions with a total amount of \$1000 USD or less.

If the Guarantee is purchased for a PayPal Shopping Cart transaction, only one reimbursement request may be filed for the transaction, although the request may include multiple items in the PayPal Shopping Cart. Subscriptions and Recurring Payments, Service, and Quasi-Cash transactions are not eligible for the Money Back Guarantee.

- **Item-based requirements.** The Guarantee only applies to physical goods that have been purchased outright, rather than leased or rented. If an item(s) is part of a set or collection, the protection is only for the value of the item against which the reimbursement request is being filed; the value of the entire set will not be reimbursed.
- **Seller requirements.** The seller must have qualified for inclusion in the program as a "trusted" seller. Among other things, they must have a PayPal account in good standing and have been an account-holder for at least 5 months. The seller also must not have opted out of the Money Back Guarantee program.
- **Buyer requirements.** The Guarantee will be offered to U.S. buyers only. Each account may only file a maximum of 3 Guarantee reimbursement requests in a given twelve-month period. PayPal

reserves the right not to offer the Guarantee to specific buyers if any prior reimbursement requests have been denied.

- c. **Requirements for Honoring Reimbursement Requests.** These requirements will determine if reimbursement requests can be honored under the Money Back Guarantee program:
- i. **Pre-filing resolution effort.** Prior to filing a reimbursement request, the buyer must attempt to contact the seller and to make a good-faith effort to seek resolution directly with him or her.
  - ii. **Reimbursement request completion.** Reimbursement requests must be complete and on time, as specified in section iv below.
  - iii. **Specific item exclusions.** Items or situations which fit any of the following exclusions are not eligible for protection under the Guarantee:
    - A. Items that have been damaged by the buyer
    - B. Apparel items that have been worn or washed
    - C. Media products such as DVDs, CDs, video and audio cassette tapes, video games and other software, etc.
    - D. Stored value cards (e.g. phone cards, gift cards, etc.) of any kind
    - E. Hazardous materials including but not limited to chemicals, explosives, flammables, poisons, and gases
    - F. Firearms, explosives, or ammunition of any sort including but not limited to guns, rifles, and bombs
    - G. Illegal/contraband goods
    - H. Animals, plants, or any parts thereof
    - I. Motorized vehicles of any kind, including but not limited to automobiles, motorcycles, boats, and airplanes
    - J. Recalled products
    - K. Consumables and perishables
    - L. Land, buildings, structures, or real estate properties, lots or improvements
    - M. Items weighing more than 70 pounds
    - N. Items that, when packed, exceed 130 inches in combined length and girth (the combined length and girth is length plus twice the height plus twice the width)
    - O. Virtual or intangible items.
  - d. **Filing a reimbursement request.** Reimbursement requests may be filed in PayPal's Resolution Center. If the buyer has received the good, online reimbursement requests must be supplemented by return of the merchandise to PayPal along with a written reimbursement request as described below, which must be received by PayPal no more than 10 calendar days after the date that the online reimbursement request was filed. If the buyer has not received the good, reimbursement requests will be processed entirely online. If the Money Back Guarantee was purchased, any disputes of the transaction must be filed as a Guarantee reimbursement request rather than a Buyer Complaint (the Money Back Guarantee terms will apply rather



than those of the Buyer Complaint Policy).

All written reimbursement requests must be shipped using a delivery service that provides online package tracking. The buyer will bear all costs of shipping the reimbursement request and/or merchandise to PayPal, regardless of the eventual decision PayPal makes on the request. PayPal is not responsible for any reimbursement requests that are lost/damaged by the shipping company. In the event that you return merchandise to PayPal that is not covered under the terms of the Money Back Guarantee Policy, you must cooperate with PayPal to ensure the item's return, or the merchandise will become the property of PayPal.

**Failure to provide all necessary reimbursement request materials may result in denial of the reimbursement.** Furthermore, if you return merchandise to PayPal without the required documentation, as listed below, the merchandise will become the property of PayPal.

All reimbursement requests must include the following information:

- i. A completed online request form
  - ii. A signed and completed reimbursement request form with the Transaction ID, the auction item number (if applicable), and a written description of the reason for the request.
  - iii. A printout of the website page, auction listing, email, and/or invoice on which the item and price were listed. If this printout does not also include the tax and shipping terms (if applicable), you must provide a printout of that documentation as well.
  - iv. Printouts and/or written descriptions of any and all correspondence that has occurred between the buyer and seller.
  - v. The merchandise with all of its original packaging and labeling, including the postmark and buyer's and seller's addresses
- e. **Payment of Reimbursement Requests**
- If PayPal accepts the request, payment will either be returned to the credit card from which the original payment was sent (if possible), or to the buyer's PayPal account balance. PayPal reserves the right to grant full or partial payment of reimbursement requests even in cases where the buyer's reimbursement request or merchandise is incomplete or otherwise does not obligate PayPal to make a reimbursement payment.
- If a buyer has previously been awarded funds from a chargeback of a transaction covered by the Money Back Guarantee, the Money Back Guarantee program will not reimburse the buyer. (A chargeback, or reversal, occurs when a buyer rejects or reverses a charge on his or her credit card.) In addition, if a buyer receives a Money Back Guarantee reimbursement from PayPal, any ensuing chargeback awards may be reduced by the amount of the Guarantee reimbursement.
- f. **Additional terms.**
- i. **Fraud.** Under no circumstances will PayPal reimburse requests in the event of fraud or misrepresentation by the buyer. In addition, fees will not be refundable in cases of fraud.
  - ii. **Exercise of judgment.** Buyers are expected to exercise due diligence and prudent judgment to avoid or reduce any damage to the covered property. No person or entity other than the buyer shall have any legal or equitable right, remedy, or claim for reimbursement under or arising out of this Guarantee.
  - iii. **Shipment of goods to PayPal.** PayPal will request that buyers bear the cost of shipment of the good(s) in question to its Guarantee processing center. Merchandise must be shipped using an online trackable shipping service. By paying a Guarantee reimbursement request, PayPal will assume ownership of the good(s).

- iv. **Transfer of rights.** By filing a reimbursement request, the buyer transfers to PayPal the right to receive the good in the event the buyer has not yet received it from the seller. After a reimbursement request is paid, the buyer transfers to PayPal all rights and remedies against any party with respect to the merchandise. In addition to transferring these rights, the buyer must provide PayPal with any assistance necessary to secure his or her rights and remedies and must do nothing that would jeopardize securing those rights and remedies.

No rights provided under PayPal's Money Back Guarantee may be transferred without the prior written consent of PayPal, Inc.

- v. **All decisions are final.** All reimbursement request decisions made by PayPal are final and cannot be appealed by either the buyer or seller.
- vi. **Seller responsibilities for Non-Receipt of Goods reimbursement requests.** If a buyer has purchased a Money Back Guarantee and submits a reimbursement request that indicates non-receipt of goods, and if the seller does not provide a tracking number or proof of refund to PayPal within 7 days after the buyer files a reimbursement request, PayPal may (1) refund the buyer out of the seller's account or (2) reimburse the buyer and then recover the funds from the seller. If the seller does not have sufficient funds in his or her PayPal balance in the currency of the original transaction, PayPal may limit the seller's access to his or her account until the seller authorizes PayPal to use funds from their balance, bank account, and/or credit card to recoup the amount paid to the buyer. If the reimbursement request is complete and accurate, PayPal is still required to reimburse the buyer for the amount of the transaction minus the Guarantee fee, even if the seller does not have sufficient funds in their balance.

## Payments (Sending, Receiving, and Withdrawals) Policy

This Policy was last modified on 2005-MAY-13 .

### 1. Sending Payments

#### a. Sending Limits and Verification

- i. **U.S. Users.** You need to have a credit card or confirmed bank account with PayPal before you can send any payments. American Express has decided to decline PayPal credit card transactions that are funded with an American Express Corporate Card. As a result, any attempts to register or use an American Express Corporate Card will be denied. Once you confirm an email address and add a credit card, you are limited to sending a total of \$2000 USD . Some accounts, at PayPal's discretion, may have a lower limit. Some transactions, at PayPal's discretion, may not apply towards the limit. Once you become Verified by confirming your bank account, your Sending Limit will be lifted. Account limits, if any, can be viewed from the "View Limits" link on the Account Overview page. In order to become Verified, you must log in to your PayPal account and add a bank account. By adding your bank account, you authorize PayPal to make two small deposits, at PayPal's own expense, to the bank account that you registered. Once you have become Verified, your bank account (Instant Transfer) becomes PayPal's default payment method. If you would like to fund your payment with an alternate method, click on the "More Funding Options" link on the Send Money Confirmation page. Your bank account and your PayPal account will be considered Verified if and when you correctly enter these deposit amounts on the PayPal website. If your Verified bank account is closed, you must confirm your control of a new U.S. bank account in order to remain Verified. PayPal reserves the right to decide that accounts at certain banks may not be used for Verification.

Some accounts, at PayPal's discretion, will be required to enroll in our Expanded Use Program. Specifically, this means that you may be required to pay a \$1.95 USD Expanded Use Fee and must complete your enrollment in the Expanded Use Program by logging in to your PayPal account and entering the four-digit Expanded Use Number associated with the \$1.95 USD fee. This Expanded Use enrollment will be complete if and when you correctly enter your Expanded Use Number on the PayPal website. After you have successfully entered your Expanded Use Number you will receive a \$1.95 USD bonus on the next PayPal payment you send. (This bonus may take up to 24 hours to process and be reflected in your PayPal account balance.) PayPal may require you to complete enrollment in the Expanded Use Program each time you add a funding source (i.e. a bank account or credit card) to your PayPal account.

Some accounts, at PayPal's discretion, may become Verified without completing the bank account confirmation process. In order to become Verified without completing the bank account confirmation process, an account will have completed an alternate Verification process determined and administered by PayPal. Accounts eligible for an alternate Verification process are determined solely by PayPal and will be contacted by PayPal.

- ii. **Non-U.S. Users.** When you open your PayPal account, you will have an initial Sending Limit - the amount of money which you may send with your PayPal account. Once you reach your Sending Limit, you will be required to enroll in the Expanded Use Program or become PayPal Verified before using PayPal to send any more payments. Some users may be required to enroll in the Expanded Use Program before they may send any payments. To view your Sending Limit, if any, log in to your PayPal account and click on the "View Limits" link next to your account balance. Once you confirm an email address, add a credit card, and enter your Expanded Use Number, your account will have an unlimited sending limit. American Express has decided to decline PayPal credit card transactions that are funded with an American Express Corporate Card. As a result, any attempts to register or use an American Express Corporate Card will be denied. Some accounts, at PayPal's discretion, may have a higher or lower limit before verification. Some transactions, at PayPal's discretion, may not apply towards the limit. Account limits, if any, can be viewed from the "View Limits" link on the Account Overview page. In order to obtain your Expanded Use Number, you must pay a \$1.95 USD Expanded Use Fee, log in to your PayPal account, and enter the four-digit Expanded Use Number associated with the \$1.95 USD charge. After you have successfully entered your Expanded Use Number, you will receive a \$1.95 USD bonus on the next PayPal payment you send. (This bonus may take up to 24 hours to process and be reflected in your PayPal account balance.) The Expanded Use enrollment will be complete and your sending limit lifted if and when you correctly enter your Expanded Use Number on the PayPal website. If you remove the funding source used to enroll in the Expanded Use Program, PayPal may require you to enroll in the Expanded Use Program again.

With the exception of Canadian, British, and German users, your non-U.S. account will be considered Unverified until you have completed the following three steps: (1) Confirm your email address, (2) Add a credit card, and (3) Enter your Expanded Use Number. Canadian, British and German users can verify their accounts by confirming control of a bank account. Except for Canadian Verified sellers with Business or Premier accounts who meet all of our other Seller Protection Policy guidelines, no non-U.S. accounts, whether Verified or Unverified, are protected under PayPal's Seller Protection Policy.

Some accounts, at PayPal's discretion, may become Verified without enrolling in the Expanded Use Program. In order to become Verified without enrolling in the Expanded Use Program, an account will have completed an alternate Verification process determined and administered by PayPal. Accounts eligible for an alternate Verification process are determined solely by PayPal and will be contacted by PayPal.

- b. **Electronic Transfers.** When you make a payment through PayPal that is funded by Instant Transfer or eCheck, and when you initiate an "Add Funds" transaction you are requesting an electronic transfer from your bank account. Upon such request, PayPal will make electronic transfers via the Automated Clearing

House (ACH) system from your U.S. or Canadian bank account in the amount you specify. You agree that such requests constitute your authorization for such transfers. PayPal will never make transfers from your bank account without your authorization.

PayPal provides you protection against unauthorized withdrawals from your bank account under the terms of the Electronic Fund Transfer Rights and Error Resolution Policy . You may be charged a service fee for any ACH transactions that result in a returned ACH item, such as but not limited to those caused by insufficient funds in your bank account, closure of your bank account, or if the bank account number or other information you provided is incorrect. Currently, returns to non-U.S. bank accounts are charged a p/gen/ua/policy\_efunds\_pop-outside returned ACH fee based on their location and returns to U.S. bank accounts are not charged. PayPal reserves the right to resubmit for collection any ACH debit authorized by you (Instant Transfer, eCheck or Add Funds) that is returned for insufficient or uncollected funds.

- i. **Non-U.S. Members.** Users in Germany, Norway, the Netherlands, Sweden, and Switzerland may add funds to their PayPal account by initiating a bank transfer from their banking institution to their PayPal account. Such funds will be posted to the user's PayPal account and converted to the user's primary balance at the time the payment is successfully received by PayPal.
- ii. **Canadian Bank Accounts.** Canadian users may use their bank accounts to fund payments. To use your bank account to fund payments, you must log in to your PayPal account and add a bank account. By adding your bank account, you authorize PayPal to make two small deposits, at PayPal's own expense, to the bank account that you registered. Once you have confirmed your bank account, your bank account (Instant Transfer) becomes PayPal's default payment method. If you would like to fund your payment with an alternate method, click on the "More Funding Options" link on the Send Money Confirmation page. Once you have added a Canadian bank account, you may use that bank account to add funds to your PayPal account from the Add Funds subtab of the My Account tab. Adding and confirming a Canadian bank account does not affect your Verification status. PayPal reserves the right to decide that accounts at certain banks may not be used to fund payments.
- c. **Entering Expanded Use Numbers.** PayPal requires all Non-U.S. Users and some U.S. Users to complete an additional process to establish their membership with PayPal. This process consists of an Expanded Use Fee charged to the User's credit card, debit card, or bank account that is associated with a randomly generated, unique 4-digit Expanded Use Number. PayPal provides a page in the User's account for the User to enter this Expanded Use Number when it is received via the User's physical monthly card statement, or via online access to the card statement, or via the User's physical monthly bank statement, or via online access to the bank statement. PayPal strongly discourages users from calling their financial institutions in order to obtain PayPal Expanded Use Numbers before receiving their monthly statement in the mail or online. If PayPal receives a complaint from Visa, MasterCard, Discover, American Express, or a financial institution regarding a User's repeatedly calling that financial institution to obtain PayPal Expanded Use Numbers, that User's PayPal account will be closed permanently. This Expanded Use Fee may not be disclosed expressly at the time it is made.
- d. **Right of Recipient to Refuse Payment.** When you send a payment to a third party through PayPal, the recipient is not required to accept the payment, even if the recipient is already registered with PayPal. The recipient is free to return payments or, in some cases, to use the PayPal system to deny payments that you have sent. You acknowledge that PayPal will not be liable for any damages resulting from a recipient's decision not to accept a payment made through PayPal. Any payments through PayPal that are denied or unclaimed by a recipient will be returned to the sender on the earlier of (a) the date of such denial, or (b) within 30 days from the date the payment is sent.
- e. **Choice of Funding Sources.** PayPal reserves the right to limit an account-holder's choice of funding sources for any individual payment based on analysis performed through proprietary risk modeling systems. When PayPal decides to limit funding source choices, the account holder will be alerted to the higher-than-normal level of risk associated with the payment. If PayPal determines that there is a higher-than-normal level of risk, this is not an indication that either party in the transaction is acting in a dishonest or fraudulent manner; it is merely an indication that the combination of variables in the transaction has alerted PayPal that the potential for payment repudiation is unacceptable. The account-holder may choose

to continue with the transaction using the available funding sources (if any), with the understanding that he or she may be accepting an additional level of transactional risk. Thus, the account holder may have fewer avenues available for dispute resolution should the transaction turn out to be unsatisfactory. For more information about protecting yourself from the risks associated with online transactions, please visit PayPal's Security Center.

- f. **Removal of Expired Credit Cards.** PayPal views expired credit cards as an invalid funding source and reserves the right to remove expired credit cards from your account. PayPal will notify you via email that your credit card has been removed from your account because of an invalid expiration date. You may re-add the card once a valid expiration date is obtained.
- g. **Multiple Currencies.** PayPal's Multiple Currencies feature allows users to send payments in U.S. Dollars, Canadian Dollars, Euros, Pounds Sterling, Yen or Australian Dollars. Multiple Currencies is currently available for all payments made using the regular Send Money service, but is not currently available for PayPal BillPay payments. You do not need to maintain a balance in the currency in which you would like to send the payment, but may choose the currency at the time of payment. If you are making a payment in a currency in which you already maintain a balance, the funds for the payment will first be withdrawn from the balance you already hold in that currency. Additional funds required for the payment will be withdrawn first from any other PayPal balance you maintain, and then from the funding source of your choice.

If your PayPal balance(s) do not cover the full amount of your payment, and you hold a credit card denominated in the currency of the payment, that credit card will be charged for the remainder of the payment. If your PayPal balance(s) do not cover the full amount of your payment, and you do not hold a credit card denominated in the currency of the payment, but you do hold a credit card denominated in one of the currencies supported by the Multiple Currencies feature (that is, U.S. Dollars, Canadian Dollars, Euros, Pounds Sterling, Yen or Australian Dollars) your credit card will be charged in that currency. If your PayPal balance(s) do not cover the full amount of your payment, and you neither hold a credit card denominated in the currency of the payment nor in any of the currencies supported by the Multiple Currencies feature (that is, U.S. Dollars, Canadian Dollars, Euros, Pounds Sterling, Yen or Australian Dollars), your credit card will be charged in the currency of your payment. If you hold a U.S. PayPal account or are using an American Express card to fund your payment, your card will always be charged in US Dollars.

**Before you complete the payment, PayPal will display the current exchange rate for any funds you are sending which are not currently held in the currency of the payment.**

In addition, the recipient of your payment does not need to maintain a PayPal balance in the currency in which you are sending the payment. For additional information about receiving Multiple Currencies payments, please see Receiving Payments: Multiple Currencies, below.

## 2. Receiving Payments

- a. **Receipt of Credit Card Funded Payments.** The ability to receive credit card funded payments is reserved for Premier and Business accounts. Personal Accounts that receive credit card funded payments may accept the payment by upgrading to a Premier or Business account, or they will have to deny the payment. Personal accounts may receive non-credit card funded payments for free. Once upgraded, Premier and Business Accounts may receive unlimited credit card funded payments. Payments funded wholly or partially by a credit card are classified as credit card payments in the PayPal system.
- b. **Receipt of Payments; Risk of Reversal of Transactions; Collection of Funds you owe PayPal.** When you receive a payment through the Service, unless you follow the steps necessary to qualify for our Seller Protection Policy, you are not protected against a subsequent reversal of the transaction. In the event that the sender's transaction is reversed for any reason and you do not qualify for the Seller Protection Policy for that transaction, you will owe PayPal for the amount of the reversed transaction plus any fees imposed on PayPal as a result of the reversal. Examples of such a reversal include, but are not limited to, a credit card reversal by the sender of the payment, and a reversal of the transaction because the sender of the pay-

ment was using a stolen credit card or unauthorized bank account. PayPal will seek to recover the funds from you by debiting your PayPal balance and, if there are not sufficient funds in your PayPal balance, PayPal reserves the right to collect your debt to PayPal by any other legal means.

PayPal reserves the right to ask a recipient of a payment for further authentication or other information in order for him or her to accept it. Users who receive more than \$10000 USD in payments during a single month may be required to provide PayPal with additional information.

- c. **Personal Account Receiving Limit.** If you have a Canadian, U.S., or U.K. Personal account, you are limited to receiving no more than the equivalent of \$500 USD each month, based on the primary currency of your PayPal account. Only eBay, auction, and Website Payments (e.g. Buy Now Buttons, PayPal Shopping Cart, or Subscriptions payments) will count against your Receiving Limit. The equivalent Receiving Limits are as follows:

**Table 7.**

Currency of Primary Balance	Receiving Limit
U.S. Dollars	\$500 USD
Canadian Dollars	\$650 CAD
Euros	€400 EUR
Pounds Sterling	£250 GBP
Yen	¥56000 JPY
Australian Dollars	\$1250 AUD

This \$500 USD cap is based on the account sign-up date, and is reset each month. Once you have reached your monthly limit, the payment will have a Pending status, and you will need to upgrade to a Premier or Business account to accept the payment. If a payment is Pending based on your having reached your Receiving Limit and your limit is reset, the payment will remain Pending until you have upgraded your account or denied the payment. If you refund a payment, your Receiving Limit will not be reset for the amount of the payment.

PayPal account holders may not deceive buyers as to the nature of their account. That is, if you advertise on a listing that you accept credit card payments through PayPal, you must have a Premier or Business PayPal account or be willing to upgrade from a Personal PayPal account to a Premier or Business PayPal account when you receive your first credit card-funded payment.

PayPal account holders may not split payments between a Personal PayPal account and a Premier or Business PayPal account by directing buyers paying with credit card to pay their Premier or Business account and buyers paying with PayPal balance or bank account to pay their Personal account. Any business payments that are split and made to a Personal account will be subject to fees applicable to a Business or Premier account. Personal accounts are for personal use only. If you would like to do business through your PayPal account, you must use a Premier or Business account.

3. **Refund.** In the first sixty (60) days after a payment has been sent, the recipient has the option of refunding the



payment by clicking on the "Refund" link on our website. If the transaction is refunded, all transaction fees will be refunded and the payment will be reversed.

#### 4. **Withdrawals.**

- a. **U.S. Users.** In order to withdraw funds that PayPal is holding in custody for you, you must confirm the email address that you registered by responding to a message that PayPal will send to that address when you have completed registration, and you must register a bank account or credit card with PayPal. New PayPal Users who signed up for a PayPal account after November 14, 2002 are required to complete two out of three authentication steps (confirm bank account, enter Expanded Use Number, confirm Social Security Number) in order to withdraw more than \$500 USD per month. In addition, Users who signed up for a PayPal account on or before November 14, 2002 will be required to complete two of the three authentication steps described above in order to withdraw more than \$500 USD per month for the first 120 days. Some accounts, at PayPal's discretion, may have this limit even after 120 days. Some accounts, at PayPal's discretion, may have lower limits until the authentication steps have been completed. Account limits, if any, can be viewed from the "View Limits" link on the Account Overview page. For fraud purposes, PayPal reserves the right to review large withdrawals before releasing the funds to you.

You may withdraw funds by direct deposit into your bank account or by physical check. To cover the cost of processing checks, PayPal charges \$1.50 USD per check withdrawal. If a check is not cashed after 180 days from the date it was issued, the funds (minus the fee) will be returned to your PayPal account. Check withdrawals will not be sent to P.O. Box addresses. In addition, check withdrawals will only be sent to a Confirmed Address, unless you are Verified (as described in Section III.1 above), in which case you may choose any street address. If you would like a check withdrawal to an address that does not match these rules, you must contact Customer Service and produce appropriate documentation as determined by PayPal before a check will be sent to the requested address.

- b. **Non-U.S. Users.** If you are a Non-U.S. User, you may only accept payments after you have registered a credit card with PayPal. If and when you have registered a credit card, the following rules apply to the withdrawal of any payments you receive through the Service.

All Non-U.S. Users who have a U.S. bank account and registered it with PayPal may withdraw funds from their PayPal balance to that bank account once they have added a credit card and enrolling in the Expanded Use Program by confirming their email address and entering their Expanded Use Number. Canadian Users that have a U.S. bank account registered with their PayPal account will only be required to add a credit card to withdraw funds to that U.S. bank account. Non-U.S. Users in Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Mexico, the Netherlands, New Zealand, Norway, Portugal, Singapore, South Korea, Spain, Sweden Switzerland, Taiwan and the United Kingdom who have become Verified (by confirming their email address, adding a credit card, and enrolling in the Expanded Use Program by successfully entering their Expanded Use Number) may register their local bank accounts with PayPal, and may then withdraw funds from their PayPal balance into their local bank accounts. For fraud purposes, PayPal reserves the right to review large withdrawals before releasing the funds to you.

Non-U.S. Users in India, China, Argentina, Brazil, Chile, Ecuador, Uruguay, and Jamaica may withdraw funds by physical check. To cover the cost of processing checks, PayPal charges a fee for check withdrawal – please see the Withdrawal Fees table. Checks will be issued in U.S. Dollars, except in India, where checks will be issued in Indian Rupees.

Checks to these 8 countries cannot be cashed; they must be deposited to a bank account for which the bank account holder name matches the name on the check. If the name on your PayPal account is incorrect and does not match the name on the bank account to which you wish to deposit your check, you must correct it by contacting PayPal customer service before you initiate your withdrawal by check.

Checks to these countries will actually be bank drafts and will be funded by PayPal as soon as they are sent. As such, PayPal cannot stop a check withdrawal transaction once it has been requested. PayPal is not responsible for checks that are lost, missing or misaddressed by the customer. Your bank may charge fees for the deposit of these checks (e.g. if the currency of the check is different from your native currency);

please check with your bank on any applicable fees before requesting a withdrawal by check from PayPal.

Non-U.S. Users in Anguilla, Costa Rica, Dominican Republic, Iceland, Israel, Luxembourg, Malaysia, Monaco, Thailand, Turkey and Venezuela will not be able to withdraw funds from the PayPal system unless they have a U.S. bank account, and should therefore accept payments only if they expect to spend those funds using PayPal or if they have a U.S. bank account. Because of this limitation on withdrawals, non-U.S. Users in these 11 countries must affirmatively accept each payment and will not be able to receive payments automatically.

Non-U.S. Users in some countries may not use the Service to receive payments, and may only use the Service to send payments. These countries are designated on the PayPal Non-U.S. Accounts page.

- c. **Multiple Currencies.** When you use electronic funds transfer or a withdrawal by check, you can choose the currency balance from which you would like to withdraw the funds. If the currency of the PayPal balance from which you are withdrawing the funds differs from the currency of the bank account to which you are withdrawing the funds or the currency of the physical check if you are withdrawing by check, currency conversion rates will apply. Before you complete the withdrawal, PayPal will display the current exchange rate that will apply to the conversion.
5. **No Surcharges.** Under Visa, MasterCard, Discover and American Express regulations and the laws of several states, including California, merchants may not charge a fee to the buyer for accepting credit card payments (often called a "surcharge"). You agree that you will not impose a surcharge or any other fee for accepting PayPal as payment. This restriction does not prevent you from imposing a handling fee in connection with the sale of goods or services, as long as the handling fee does not operate as a surcharge (in other words, the handling fee for transactions paid through PayPal may not be higher than the handling fee for transactions paid through other payment methods).
6. **Use of PayPal Logos on eBay Auctions.** In addition to the terms set out in Section V Part 5 of this User Agreement, when you display a logo on your eBay auction which contains the Visa, MasterCard, Discover and American Express logos, your PayPal account must accept payments made via credit card. You may edit your payment receiving preferences from your Profile.
7. **Multiple Currencies.** The Multiple Currencies feature allows you to maintain PayPal balances in any or all of the following currencies: U.S. Dollars, Euros, Pounds Sterling, Canadian Dollars, Yen or Australian Dollars. If you already maintain a balance in the currency in which you receive a payment, that payment will be automatically credited to that currency balance. You do not need to maintain a balance in a particular currency to accept payments sent in that currency. If you hold a Personal PayPal account, every time you receive a payment in a currency in which you do not maintain a balance, you will be asked to manually accept or deny that payment. Before you accept a payment, PayPal will display the current exchange rate.

If you hold a Premier or Business PayPal account, your default preference when you receive a payment in a currency in which you do not maintain a balance is that you will be asked to manually accept or deny that payment. Before you accept a payment, PayPal will display the current exchange rate. If you would like, you may set up your Payment Receiving Preferences in your Profile to do one of the following:

- a. Automatically accept the payment and open a PayPal balance in that currency.
- b. Automatically accept the payment and convert it to the currency of your primary balance. Note: If you choose this option, the payment will be converted at the current exchange rate at that time.
- c. Automatically deny payments received in a currency in which you do not already maintain a PayPal balance.
- d. Continue to manually accept or deny payments received in a currency in which you do not already maintain a PayPal balance.

You can open and close currency balances, transfer funds between currency balances, and change your Primary Currency from the Manage Currencies section of your Profile. Your Primary Currency is the currency which you designate as your home currency (i.e. the currency in which the value of other currency balances will be expressed). Your Primary Currency will remain U.S. Dollars unless you choose to make it a different currency.

8. **Additional Disclaimers for the use of the Multiple Currencies feature.** Maintaining balances in multiple currencies and sending and receiving payments in currencies that differ from your Primary Currency entails additional risks. These key risks include (although this is not a comprehensive list):

- a. If you maintain a balance in a currency other than your Primary Currency, the value of these additional balances will fluctuate as exchange rates change, which over time may result in a significant decrease or increase in the value as measured by the Primary Currency. The value of your non-primary currency balances will be displayed in terms of your Primary Currency at the current exchange rates on the PayPal system. By opening a balance in a currency other than your Primary Currency, you acknowledge that it is your responsibility to monitor the fluctuations or exchange rates, and that any perceived loss from these fluctuations will be borne by the funds in your PayPal account, and are in no way the responsibility of PayPal.
- b. When you initiate a transaction in which a currency conversion must take place (when you are sending a payment using Multiple Currencies, accepting a payment in a currency in which you do not maintain a PayPal balance, withdrawing funds from your PayPal account, or transferring funds between currency balances within your PayPal account), PayPal will display the exchange rate for the conversion. By completing the transaction, you agree to the exchange rate displayed. If the payment has to be returned or reversed at a later time, PayPal will re-convert the funds to the original currency, but will use the prevailing exchange rate at the time of the return or reversal.

In addition, if you hold a Premier or Business PayPal account and you set your Payment Receiving Preferences to take payments received in a currency in which you do not maintain PayPal balance and automatically accept and convert those funds to your Primary Currency, you are agreeing to use the prevailing exchange rate at the time of the conversion.

- c. As long as you maintain an open balance in a specific currency, all payments received in that currency will automatically be credited to that PayPal balance.
- d. In the event that one of the currency balances in your PayPal account becomes negative, PayPal retains the right to offset the negative balance using funds maintained in a different currency balance.

PayPal may use funds held in any currency balance to recover amounts owed to PayPal due to chargebacks or for any other reason. (A chargeback, or reversal, occurs when a buyer rejects or reverses a charge on his or her credit card.) In addition, funds from payments received will first be diverted to make up any negative currency balance regardless of your Payment Receiving Preferences. PayPal will forcibly convert all negative balances to the U.S. Dollar balance after the account has maintained a negative balance for 21 consecutive days. The above referenced negative balance does not include negative balances which result from a pending reversal where PayPal has yet to conclude its investigation of the situation.

If one of the currency balances in your PayPal account becomes negative, PayPal will divert funds from any withdrawals you make (whether you withdraw by check, electronic funds transfer, or your PayPal Debit Card) to make up the negative balance before allowing you to withdraw the funds.

- e. The Multiple Currencies feature is designed to facilitate online payments. You agree not to attempt to use the Multiple Currencies for speculative trading. Because the exchange rates that you will be assessed for currency conversion include PayPal's conversion and risk fee, any attempt to use the product for exchange trading will, in all likelihood, result in losses.

9. **Authorizing Payments for Delayed Processing by Merchants.**

- a. When a merchant processes a payment you have authorized, PayPal will always attempt to use the USD funds in your PayPal balance before the funding sources you select at the time of authorization.

- b. With your consent, the merchant may change your final purchase price if the total amount changes due to taxes, shipping charges, item availability, item additions, or other conditions that you agree upon with your merchant.
- c. The Backup Funding Source that you select at the time of purchase can also be used to cover the cost of an increase to your payment amount between the time a payment is initially authorized and the time your payment is processed.
- d. If you are enrolled in the Money Market Reserve Fund, any balance funds placed on hold as the result of authorizing a payment to a merchant will not accrue Money Market interest for the duration they are placed on hold.
- e. A payment that you authorize to a merchant is valid for a variable period. The length of the authorization period depends on the terms that PayPal has set for your merchant.
- f. Your funds will not be transferred to the merchant until the merchant processes the payment.
- g. Merchants must obtain your consent for any change to your payment between the time of authorization and the time your payment is processed.

## Premier and Business Account Policy

This Policy was last modified on 2005-MAY-13 .

The terms below apply specifically to the use of Premier and Business Accounts through the Service and any related products and services (collectively, the "Premier/Business Service").

In the event that your sales volume or other criteria qualify you for commercial entity status as defined by card associations' Operating Rules, additional terms will apply to your Premier or Business Account. Commercial entities will be contacted by PayPal and will be required to provide additional information and to accept the terms of the Card Processing Agreement.

1. **Account Information.** You understand that as part of the legal arrangements and agreements in place between Wells Fargo Bank, N.A., our acquiring bank, Wells Fargo Merchant Services, LLC and the MasterCard and VISA credit card associations, that we may, as required, disclose Card-related account profile and purchase behavior information to these organizations for the purpose of eliminating fraud and illicit behavior. In addition to the terms listed above, you further agree that PayPal may access and disclose information about you or your use of the Premier/Business Service when PayPal deems such action necessary or appropriate to comply with the law or legal process, to protect PayPal's systems and customers, or to ensure the integrity and operation of PayPal's business and systems. Unless otherwise prohibited by law, such disclosure may include, without limitation, user profile information (e.g., name, e-mail address, etc.), transaction information, IP address and traffic information, and usage history.
2. **Contact and Refund Information.** Each user of the Business Service will be required to input its customer service contact information into the Business Account application upon registration. You agree to clearly identify your customer service contact information, including but not limited to your business name, address, telephone number, fax number and e-mail address. You further agree to update such information to keep it true, accurate, current, and complete. You agree to clearly disclose your refund policies on your website.
3. **Taxes.** Each user of the Business Service is required to provide its Taxpayer Identification Number (TIN) upon request. It is your responsibility to determine what, if any, taxes apply to the payments you make or receive and to collect, report and remit the correct tax to the appropriate tax authority. PayPal is not obligated to determine whether taxes apply, and is not responsible to collect, report, or remit any taxes arising from any transaction.

4. **Account Use.** By accepting the terms as outlined in this Agreement and using your Premier or Business Account, you attest that you hold all the necessary licenses to engage in the advertising and sale of the goods and services offered for sale or use through your Premier or Business Account, and that you do not provide unlawful or illicit products or services. You will not use the Business Service, the website or any of the services offered therein for any unlawful, fraudulent or improper activity. If PayPal or Wells Fargo has reason to believe that you may be engaging in or have engaged in fraudulent, unlawful, or improper activity, including without limitation any violation of any terms and conditions relating to the Premier/Business Service, the website or any related services, your access to the Service may be suspended or terminated. You will cooperate fully with PayPal or Wells Fargo to investigate any suspected unlawful, fraudulent or improper activity.
5. **Fees.** PayPal's current Fee Schedule for using the Premier/Business Service is posted on the website. Fees are quoted in the currency in which they will be assessed. Users are responsible for paying all fees associated with the use of their Premier or Business Accounts and the Premier/Business Service.

The following additional fee-based services are available to Business and Premier Accounts:

- **Monthly Account Statements.** We make summaries of monthly transaction volume, including payments received, payments sent, fees paid, etc. available to Business and Premier accounts. Monthly Account Statements are an opt-in fee-based service.
  - **Merchant Sales Reports.** We make weekly Merchant Sales Reports available to Business and Premier accounts. These Reports detail the sales channels through which an account has received payments during the preceding week. Merchant Sales Reports are an opt-in fee-based service.
6. **Reserve Account in Case of Closure.** If you or PayPal close your account, PayPal may retain a portion of any funds it holds in custody for you, based on your transaction history, as a reserve to the extent reasonable to protect PayPal against the risk of future reversals of transactions occurring prior to such closure. PayPal will pay you the balance of any such reserve 180 days after closure. When you receive funds through PayPal, if the sender's transaction is reversed because of a credit card reversal and you do not qualify for the Seller Protection Policy for that transaction, you will owe PayPal for the amount of the reversed transaction plus any fees imposed on PayPal as a result of the reversal. You agree to reimburse PayPal from either your PayPal account or by other means as described in the Payments (Sending, Receiving, and Withdrawing) Policy.
  7. **Permission Levels:**
    - a. **Eligibility:** All Business Accounts are eligible for the permission levels feature. Premier accounts are not eligible.
    - b. **Definitions:**
      - i. **Primary Login:** the individual who set up the PayPal business account. The Permission Levels feature enables the Primary Login to assign users various access rights to the account. The Primary Login is also referred to as the System Administrator.
      - ii. **Secondary Logins:** a Secondary Login is a unique individual who has specific access to a PayPal business account, as determined by the Primary Login.
    - c. **Abilities and Obligations of Primary Login:**
      - i. The Primary Login is the only member on the account capable of setting up Secondary Logins with their specific access privileges.
      - ii. The Primary Login determines which individuals within his or her company or organization have particular access privileges to the company or organization's PayPal Business Account.
        - A. The access privileges the Primary Login can choose for each login may include the ability to send money, the ability to make mass payments, the ability to request money, the ability to add or withdraw funds, the ability to cancel payments, the ability to view balances and/or profiles; and/or the ability to edit the profile. The access privileges available to Secondary Logins on be-

half of Primary Logins may not include all access privileges available to the Primary Login, such as Email, Account Closure, Auto Sweep and Debit Card. The availability of privileges is subject to change at any time by PayPal.

- B. The access level granted determines which actions the Secondary Login can successfully complete. If the Secondary Login does not have any access privileges selected, the default access is read-only.
- iii. The Primary Login is the only user on who can see all the usernames on the account and the accesses, if any, granted to each user.
- iv. The Primary Login has the affirmative obligation to monitor the PayPal Business Account for any unusual activity and to take the necessary action to prevent problems. These affirmative obligations include the obligation to remove usernames of Other Logins and/or to change the access privileges of Other Logins.
- v. The Primary Login may recover their password using PayPal's normal password recovery procedures.
  - A. Recovering or resetting passwords for a Secondary Login is the responsibility of the Primary Login. The Primary Login will reset the password in the following circumstances, but not limited to:
    - I. Secondary Login forgets password.
    - II. Secondary Login locks access to his/her login because of consecutive failed log in attempts.

d. **Abilities and Obligations of Secondary Logins**

- i. Secondary Logins must access the Business Account using the username and password generated by the Primary Login.
  - If a Secondary Login attempts to conduct a transaction not authorized by the Primary Login, he or she will receive an error message indicating that he or she is not authorized to conduct the transaction.
  - **Limitation on Liability:** Because the Permission Levels Feature allows more than one user access to a PayPal Business Account, certain risks may be created. You will work diligently to avoid these risks. Under no circumstances shall PayPal be liable to you or to any other person for any indirect, incidental, consequential or punitive damages arising out of or relating to your use of this feature, nor shall PayPal be liable for any unauthorized usage or other damage caused by the Secondary Logins or as a consequence of multiple access to the PayPal Business Account. The Primary Login agrees to indemnify and hold PayPal harmless for any harm that may result from multiple access to his or her account. The Primary Login holds the sole responsibility of determining the type of access to give each Secondary Login, and the sole responsibility to monitor activities occurring in the PayPal account. If any changes to a login's access are needed it is the responsibility of the Primary Login to increase or decrease the access privileges. If any unauthorized activity takes place because of access granted to a Secondary Login, the Primary Login is responsible for the charges and/or losses. By accepting this User Agreement and using the Permission Levels Feature, YOU AFFIRMATIVELY AGREE TO HOLD PAYPAL HARMLESS FROM ANY LOSSES OR OTHER DAMAGE WHATSOEVER INCURRED AS A DIRECT OR INDIRECT CONSEQUENCE OF ACCESS TO YOUR ACCOUNT BY OTHER LOGINS AND YOU AGREE TO INDEMNIFY PAYPAL FOR ANY HARM THAT ARISES AS A DIRECT OR INDIRECT CONSEQUENCE OF YOUR USAGE OF THIS FEATURE.

• **Auto Return**

- a. **Eligibility.** All Business and Premier Accounts are eligible for the Auto Return feature.



b. **Definitions.**

- i. **Auto Return.** A Website Payments flow where the PayPal-hosted "payment done" page is replaced by a page hosted on your website. Upon the completion of the payment, your customer is directed back to this page.
- ii. **Return URL.** The address of the page that your customer sees after the payment is completed. This URL is required when you turn on Auto Return. You are responsible for ensuring that "payment done" messaging is appropriately displayed on the landing page for the specified return URL.

c. **Your Abilities and Obligations.**

- i. If you turn on Auto Return, you must specify a Return URL.
- ii. You are obligated to ensure that the landing page associated with the Return URL includes messaging that the payment has been completed. This landing page must provide a good user experience for your customers, including, but not limited to, the following functionality:
  - A. The page must be visually consistent with the rest of your merchant site.
  - B. The page must state that payment details will be included in an email receipt and may be accessed by logging into the PayPal web site.
  - C. The page must not ask your customers for PayPal account information, including but not limited to username and password.

d. **Monitoring of Return URL:**

- i. PayPal reserves the right to monitor your Return URL. If it is found that you are not complying with your obligations in using the Auto Return feature, PayPal may take any necessary action (disable Auto Return or turn Auto Return off until an appropriate landing page is specified) to prevent problems.

## Fees Policy

This Policy was last modified on 2005-APR-15 .

**Fees.** The following fees apply to both U.S. and Non-U.S. PayPal accounts, except as noted. PayPal's fees are also listed in the Fee Schedule, available from the footer of any PayPal page.

- 1. **Sending Payments.** With the exception of the fees applicable to sending payments via the Mass Pay feature, It is free to send money to another user, regardless of the funding instrument used for the payment. If you use the Mass Pay feature, a fee of 2% of the payment amount with the following cap will be assessed on each payment:

**Table 8.**

Payment Currency	Payment Cap
USD	\$1 USD



CAD	\$1.25 CAD
EUR	€0.85 EUR
GBP	£0.65 GBP
JPY	¥120 JPY
AUD	\$1.25 AUD

2. **Receiving Payments.** Personal accounts are not charged any fees for receiving payments, but may not receive credit card payments without upgrading to a Business or Premier account. Business and Premier accounts will be charged under the new performance-based fee structure, and the fees will be based on the country associated with the account. **U.S. Premier and Business Account Fees.** Regardless of the currency of the payment, the Standard Rate for domestic payments received by U.S.-based merchants will be 2.9% , while the Merchant Rate will be expanded to three tiers, 2.5% , 2.2% , and 1.9% depending on the seller's monthly transaction volume and successful completion of a one-time application. A domestic payment is a payment where the buyer and seller reside in the same country. Merchant Rate qualifications and criteria are listed on the Merchant Rate page. The Standard Rate for cross-border transactions, regardless of currency, will be 3.9% , while the Merchant Rate tiers will be 3.5% , 3.2% and 2.9% . A cross-border payment is a payment where the buyer and seller reside in different countries. The fixed fee for both domestic and cross-border transactions will be \$.30 USD , \$.55 CAD , £.20 GBP , €.35 EUR , ¥40 JPY or \$.40 AUD (depending on the currency of the transaction). For more information about the U.S. volume-based fee structure, please see the new U.S. Fees.

**Canadian Premier and Business Account Fees.** Regardless of the currency of the payment, the Standard Rate for domestic payments received by Canadian-based merchants will be 2.9% , while the Merchant Rate will be expanded to three tiers, 2.5% , 2.2% , and 1.9% depending on the seller's monthly transaction volume and successful completion of a one-time application. A domestic payment for Canadian sellers is a payment where the buyer resides in Canada or the U.S.. Merchant Rate qualifications and criteria are listed on the Merchant Rate page. The Standard Rate for cross-border transactions, regardless of currency, will be 3.9% , while the Merchant Rate tiers will be 3.5% , 3.2% and 2.9% . A cross-border payment for Canadian sellers is a payment where the buyer resides in a country other than Canada or the U.S. The fixed fee for both domestic and cross-border transactions will be \$.30 USD , \$.55 CAD , £.20 GBP , €.35 EUR , ¥40 JPY or \$.40 AUD (depending on the currency of the transaction). For more information about the Canadian volume-based fee structure, please see the new Canadian Fees.

**Australian Premier and Business Account Fees.** Regardless of the currency of the payment, the Standard Rate for domestic payments received by Australia-based merchants will be 2.4% , while the Merchant Rate will be expanded to three tiers, 2.0% , 1.7% , and 1.4% depending on the seller's monthly transaction volume and successful completion of a one-time application. A domestic payment is a payment where the buyer and seller reside in the same country. Merchant Rate qualifications and criteria are listed on the Merchant Rate page. The Standard Rate for cross-border transactions, regardless of currency, will be 3.4% , while the Merchant Rate tiers will be 3.0% , 2.7% and 2.4% . A cross-border payment is a payment where the buyer and seller reside in different countries. The fixed fee for both domestic and cross-border transactions will be \$.30 USD , \$.55 CAD , £.20 GBP , €.35 EUR , ¥40 JPY or \$.40 AUD (depending on the currency of the transaction). For more information about the Australian volume-based fee structure, please see the new Australian Fees.

**European Premier and Business Account Fees.** European customers are served by PayPal (Europe) Ltd., not by PayPal, Inc. For information about the volume-based fee structure for payments received by Premier and Business accounts in Europe, please see the PayPal (Europe) Ltd. Fees Policy.

**Other Premier and Business Account Fees.** Premier and Business accounts will be charged under the new performance-based fee structure in the following countries and territories: Anguilla, Argentina, Brazil, Chile, China, Costa Rica, Dominican Republic, Ecuador, Hong Kong, Iceland, India, Israel, Jamaica, Japan, Malaysia,

Mexico, Monaco, New Zealand, Singapore, South Korea, Taiwan, Thailand, Turkey, Uruguay and Venezuela. Regardless of the currency of the payment, the Standard Rate for domestic payments received by sellers in these countries will be 3.4% , while the Merchant Rate will be expanded to three tiers, 2.9% , 2.7% , and 2.4% depending on the seller's monthly transaction volume and successful completion of a one-time application. A domestic payment is a payment where the buyer and seller reside in the same country Merchant Rate qualifications and criteria are listed on the Merchant Rate page. The Standard Rate for cross-border transactions, regardless of currency, will be 3.9% , while the Merchant Rate tiers will be 3.4% , 3.2% and 2.9% . A cross-border payment is a payment where the buyer and seller reside in different countries or territories. The fixed fee for both domestic and cross-border transactions will be \$.30 USD , \$.55 CAD , £.20 GBP , €.35 EUR , ¥40 JPY or \$.40 AUD (depending on the currency of the transaction). For more information about the non-U.S. volume-based fee structure, please see the new Non-U.S. Fees.

In all jurisdictions, eCheck payments have a maximum fee of \$5 USD .

3. **Withdrawing Funds.** There is no fee to withdraw funds from your PayPal account to a U.S. bank account. If you withdraw funds to a non-U.S. bank account, the applicable fees are listed in the Withdrawal Fees table. If you are a U.S. user and choose to withdraw funds from your PayPal account by having PayPal mail you a check, you will be assessed a \$1.50 USD fee. If you are a non-U.S. user, in certain countries where PayPal does not offer direct withdrawal to a local bank account, you may withdraw funds from your PayPal account by having PayPal mail you a check. A fee will be charged for these withdrawals; the amount of the fee varies by country. Please see the Withdrawal Fees table for more details.

If you use your PayPal ATM/Debit Card to withdraw funds from your PayPal account at an ATM, you will be charged a \$1 USD fee, in addition to any fees imposed by the bank which owns the ATM.

4. **Adding Funds.** There is no fee to add funds to your PayPal account from a bank account. This feature is currently only available in the U.S., UK, Canada, Germany, Norway, Netherlands, Sweden and Switzerland.
5. **Chargeback Settlement Fee.** To cover the cost of processing chargebacks, PayPal assesses a \$10 USD fee to sellers who are determined to be at fault for credit card payment chargebacks. (A chargeback, or reversal, occurs when a buyer rejects or reverses a charge on his or her credit card.) The \$10 USD fee will be waived in those cases where the sellers have fulfilled all of the requirements of PayPal's Seller Protection Policy. The \$10 USD fee will also be waived for all sellers participating in our PayPal Preferred program.

The chargeback settlement fee will be assessed in the currency of the payment. The equivalent fees are:

**Table 9.**

Payment Currency	Settlement Fee
CAD	\$15 CAD
EUR	€11.25 EUR
GBP	£7 GBP
JPY	¥1300 JPY
AUD	\$15.00 AUD

6. **Expanded Use Fees.** In general, there is no fee to join PayPal. However, some users, at PayPal's discretion, may be charged a \$1.95 USD Expanded Use Fee. Additional information is provided in section I.1, Sending Limits and Verification, of the Payments (Sending, Receiving, and Withdrawals) Policy .

7. **Money Back Guarantee.** If a user chooses to purchase the Money Back Guarantee on a qualified transaction, the associated fee will be displayed at the time of the transaction. For more information, please see the Money Back Guarantee Policy .
8. **Monthly Account Statements.** A full transaction history is available free to all accounts by logging in to the History page in your account on the PayPal Website. Additional summaries of monthly transaction volume, including payments received, payments sent, fees paid, etc. are available to Business and Premier accounts. These Monthly Account summaries are an opt-in fee-based service (the fee is currently waived).

## PayPal Shops Policy

This Policy was last modified on September 26, 2003.

The terms below apply specifically to use of the PayPal Shops feature, which enables Users to display information about their website to other Users through the [www.paypal.com](http://www.paypal.com) website.

1. **Accuracy of website registration information.** All information you provide at the time of PayPal Shops registration must be truthful, including the website's title, description, category, and all other requested information. If any change occurs in your PayPal Shops registration information, you must promptly update the information through the PayPal website. Failure to comply will result in the removal of any mention of your website from the PayPal website, and may result in permanent ineligibility from registering a website with PayPal. Provision of deceptive information may result in the locking or closing of your PayPal account. You grant PayPal the right to access your site through manual observation or automated "spidering" or other automated search techniques in order to confirm the accuracy of your registration information. PayPal is under no obligation to monitor the accuracy of your site.
2. **Eligibility.**
  - a. **U.S. Users.** U.S. Users who meet the following conditions are eligible to register a website in PayPal Shops:
    - i. The User has a Verified Premier or Business
    - ii. The User maintains a registered credit card with their PayPal account.
    - iii. The User has opened a PayPal Money Market Fund account.

If at any time the owner of a registered Shop no longer meets one or more of the requirements listed above that website will cease to be listed in the PayPal Shops directory.
  - b. **Canadian Users.** Canadian Users who meet the following conditions are eligible to register a website in PayPal Shops:
    - i. The User has a Verified Premier or Business Account.
    - ii. The User has been in the PayPal system for no less than 90 days.
    - iii. The User has a Seller Reputation Number of at least 10.

If at any time the owner of a registered Shop no longer meets one or more of the requirements listed above, that website will cease to be registered with PayPal and listed in the PayPal Shops directory.
  - c. **Non-U.S. or Canadian Users.** Users outside the U.S. and Canada may not register a new Shop for PayPal Shops. Users with existing Shops may continue to have their Shop listed and should contact customer service to make modifications to their Shop.

- d. **Website must accept PayPal payments.** This website must accept PayPal payments. If an investigation of your website shows that it does not accept PayPal payments, it may be removed from the PayPal Shops Directory. You may re-register your website for PayPal Shops when it accepts PayPal payments.
  - e. **Other.** By registering for PayPal Shops, you grant PayPal the right to run a credit check on you or your business at any time. PayPal reserves the right to remove the listing of any website from the PayPal Shops directory at any time, for any reason.
3. **License to Use Your Information.** You remain the owner of the Website registration information that you provide to PayPal, but by providing such information to PayPal, you are granting PayPal permission to use the information in connection with the PayPal Shops service. Specifically, you grant PayPal a non-exclusive, worldwide, perpetual, royalty-free license to copy, publish and display your Website registration information on the PayPal website or in e-mail messages related to your PayPal transactions, subject to compliance with PayPal's Privacy Policy. This license will end upon termination of your membership in PayPal Shops, whether such termination is caused by you or by PayPal.
  4. **No Endorsement.** PayPal's presentation of website registration information is not an endorsement of the website or of any goods or services offered on the website. Any attempt to state or imply PayPal's endorsement of your goods or services constitutes grounds for immediate termination of your participation in PayPal Shops.
  5. **No Illegal Websites or Websites which violate the PayPal Acceptable Use Policy.** You may not register a website that promotes or facilitates illegal actions, including but not limited to the sale of goods or services that infringe on the intellectual property of a third party. You also may not register a website that violates the rules outlined in the PayPal Acceptable Use Policy . Any such registration constitutes ground for immediate termination of your participation in PayPal Shops and immediate closure of your PayPal account. All such actions may also violate your Wells Fargo requirements and/or MasterCard/VISA regulations or policy and as such constitute grounds for termination of your card accounts with these organizations. Such termination may result in you being prohibited against registering a new account with any MasterCard or VISA acquiring Bank.
  6. **Shopping at Websites Registered with PayPal.** Website registration information is provided by the owner of the website, and PayPal is not responsible for any errors or misrepresentations in such information. PayPal specifically disclaims all warranties with respect to website registration information, including but not limited to the warranty of merchantability and the warranty of accuracy of informational content. PayPal does not guarantee any level of security in shopping at third-party websites registered with PayPal, nor does PayPal guarantee the quality of goods or services offered on these websites. For more information on security in Web shopping, please visit our Security Tips page.
  7. **Fees.** Placement in PayPal Shops is currently free. Fees may be introduced in the future, but no changes will be made without first notifying you.

## Debit Card Policy

This Policy was last modified on 2005-MAR-23 .

1. **Eligibility.** At this time, the PayPal MasterCard ATM/Debit Card (the "Debit Card" "ATM/Debit Card" or the "Card") is offered to U.S. and, in limited circumstances, select non-U.S. PayPal users only. Users that are offered a debit card will need to complete the following application requirements, if they have not already done so:
  - a. Have been a PayPal member for at least 60 days
  - b. Have registered a credit card where the monthly statement is sent to a physical street address (not a P.O. Box). PayPal will only mail the Debit Card to this address; periodic statements and transaction information will be available on the PayPal website and not by mail.

- c. Have linked a bank account to their PayPal account and verified control of the bank account
- d. Have opened or upgraded to a Premier or Business account
- e. Upon review by our Account Review department are deemed as being an active member in good standing within the PayPal community.

## 2. **Obtaining and activating your ATM/Debit Card.**

- a. PayPal retains the sole discretion to accept or reject any application for a Debit Card. If your application is accepted, it will take between 2-4 weeks to process your request and mail the Debit Card to your address. For security reasons, we will only send the card to your Primary credit card billing address.
- b. Once you receive your card in the mail, you can activate your card by logging into [www.paypal.com](http://www.paypal.com) and following the instructions at the "Activate Debit Card" link on the Account Overview page, including selection of a Personal Identification Number (PIN).

## 3. **Using your ATM/Debit Card**

- a. **Using your card at an ATM.** You may use your Debit Card at any ATMs which are a part of the MasterCard/Maestro/Cirrus ATM network. ATM withdrawals are available up to the daily authorization limits disclosed in Section 5 below, provided the available balance in your PayPal Account (including your Money Market Fund) is greater than or equal to the amount requested. You may use your Debit Card at such an ATM to perform the following types of transactions:
  - i. Withdraw cash from your PayPal Account. If you maintain balances in your account in currencies other than U.S. Dollars, you may only use your PayPal MasterCard ATM/Debit Card to withdraw from your U.S. Dollar balance.
  - ii. Find out your PayPal Account balances

Note: A specific ATM terminal may not perform or permit all the above transactions. Each Debit Card may only be linked to a single PayPal account. To withdraw cash from your PayPal account, choose "Checking Account" when given the option at an ATM.

- b. **Using your card to pay for purchases.** You may use your Card to purchase goods and services from merchants that accept MasterCard, up to the available balance in your PayPal Account, and subject to the transaction limits specified in Section 5 below. Purchases made with your Card will be charged against your PayPal Account balance. If you maintain balances in your account in currencies other than U.S. Dollars, you may only use your PayPal MasterCard ATM/Debit Card to charge purchases against your U.S. Dollar balance.

## 4. **Fees and Rebates**

- a. **Using your card at an ATM.** PayPal charges a \$1.00 USD ATM fee when you make a cash withdrawal. In addition, ATM transactions may be subject to a surcharge assessed by the terminal owner. PayPal has no control over these surcharge fees.
- b. **Using your card to pay for purchases.** There is no fee to use your card to make purchases at merchants that accept MasterCard. In addition, if you join our PayPal Preferred Rewards Program, you will earn 1% cash back on qualifying debit card purchases. See the section below for details.
- c. PayPal Preferred Rewards / 1% cashback
  - i. Purchases that qualify: The PayPal Preferred Rewards program provides 1% cash back for all PayPal

MasterCard Debit Card purchases that do not require a PIN. Most transactions do not involve a PIN, such as restaurant bills or paying online.

Many merchants that do ask for a PIN (e.g. at gas stations or grocery stores) offer you the option of choosing 'Credit' or 'ATM/Debit' when making a transaction. To qualify for the 1% cash back, you must choose 'Credit'. Even though you choose 'Credit,' the transaction will be processed as a debit to your PayPal balance, not as a loan of any kind.

- ii. Eligibility. To be eligible for PayPal Preferred Rewards, you must complete the following requirements:

- A. Obtain and activate a PayPal MasterCard ATM/Debit Card.

- B. Provide your business information

And one of the following:

- C. Show that you prefer PayPal on all of your eBay auction listing **OR**

- D. Promote PayPal on your website

Show PayPal in all of your eBay auction listings as the only online payment option that you advertise.

- iii. Promotion Period: PayPal reserves the right to change the PayPal Preferred Rewards program. PayPal will announce any changes to the program 4 weeks in advance in the Policy Updates section of the Account Overview page.

## 5. Other Terms and Conditions

**Daily ATM Withdrawal and Spending Limits.** For your protection, your Card transactions will be subject to daily limits of \$400 USD for ATM withdrawals and cash like withdrawals (e.g. cash advances and money transfers) / \$3000 USD for purchases. Also note that for your security, all debit cards are subject to a 30 transaction per day limit.

If you reach your daily limit, for fraud prevention purposes, you may not be able to complete additional transactions on that day and the following day. This restriction should be lifted within a day.

**Benefits of a PayPal/MasterCard Premier BusinessCard.** Both Premier and Business Accounts will be eligible for a PayPal / MasterCard Premier BusinessCard. This card has additional features and benefits that are entirely free to the cardholder and are not available on standard consumer cards. Please see the MasterCard Guide to Benefits (PDF 85K / 4 pages). If you are not a business and want a regular PayPal / MasterCard Debit Card, please contact us using the contact form available from the footer of any PayPal page. One of our Debit Card Support Representatives will process your request and mail the card to you.

**Expiration.** Unless otherwise stated on your Card and in your Card activation materials, the Card will expire 2 years from the month it was issued.

**Foreign Transactions.** If you use your Card to obtain cash or to purchase goods or services in another currency, the amount of the charge in foreign currency will be converted to a U.S. dollar amount by the MasterCard network. In making this conversion, the network will use the procedures set forth in its operating regulations. Conversion to U.S. dollars may occur on a date other than the date of the transaction; therefore, the currency conversion rate may be different from the conversion rate in effect on the transaction date. You acknowledge that PayPal does not determine the currency conversion rate that is used. The conversion rate includes a 1% fee charged by MasterCard to PayPal, which we pass through to you without any mark-up.

**Preauthorization Holds.** When you use your Card at a point of sale location or when you use the MasterCard



or other network enhancement feature of the Card to obtain goods or services or to obtain cash from a merchant, the merchant may attempt to obtain preauthorization from us for the transaction. If the merchant makes such a request, we place a four-calendar day hold on your PayPal account for the amount of the preauthorization request (which may vary in some cases from the amount of the actual purchase, depending on the merchant). If the preauthorization request varies from the amount of the actual transaction, payment of the transaction may not remove the hold, which will remain on the account until the 4th calendar day after the request (money is returned to the account on the 5th day). This hold may affect the availability of funds from your PayPal Account to pay for transactions. We will not be responsible for any damages if any transactions are not completed because of the hold.

**Your Right To Receive Documentation Or Notice Of Transactions.** TELL US AT ONCE if you believe your Card or any other Access Device has been lost or stolen or if you think your PIN or Password is no longer secure or confidential. Please log in into [www.paypal.com](http://www.paypal.com) and report your card as Lost / Stolen in the "Profile" section. Reporting the card Lost / Stolen on the site is the best and fastest way of keeping your possible losses down.

If you tell us within two days after you learn of the loss or theft, you are covered on MasterCard's Zero Liability policy if someone used your Card or other Access Device without your permission. If you do NOT tell us within two business days after you learn of the loss or theft of your Card or other Access Device, and we can prove we could have stopped the unauthorized transactions if you had told us, you could lose as much as \$500 USD. Also if your on-line statement shows transactions that you did not authorize, TELL US AT ONCE. If you do not tell us within 60 days after the Periodic Notice is transmitted to you, you may not get back any money you lost after the 60 days if we can prove that we could have prevented the transactions if you had told us in time. A transfer is not considered unauthorized, and you will be fully liable, if you have given a person your Personal Identification Number (PIN) or debit card.

If a good reason (such as a long trip or a hospital stay) kept you from telling us about unauthorized transactions, let us know and we will extend the time periods if and as appropriate. You may also have additional rights under the MasterCard Zero Liability program.

To protect yourself from losses, you should not reveal your Password, PIN, or any other Access Device to any person not authorized by you to use your PayPal account; not write your PIN or Password on your Card or on any item kept with your Access Devices; and not leave a computer terminal unattended after you have logged in using your Password or other Access Device.

**Personal Identification Number/Your Electronic Signature.** Your personal identification number (PIN) is a security code, which has been designed to protect your transaction account against unauthorized use. The PIN provides enhanced security for your account and must be used when making transactions to your account. It is your electronic signature. Since the PIN is for security purposes, you should memorize it and it should not be disclosed to anyone. You can change your PIN at any time, and a temporary hold can be placed on your account if the PIN has been compromised or if your card is lost or stolen. Maintaining the security of your PIN and card is your responsibility.

**Ownership Changes.** If you authorize a name change on your account (limited to a change due to either a divorce, marriage or birth certificate change), it will be your responsibility to destroy your old PayPal Debit Card, as well as obtaining a new Personal Identification Number (PIN), or you may be liable for any losses which may occur.

If you are a business account holder with a business name on your debit card, you must contact us to update your account information with your personal name, so that a card can be reissued in your personal name. Otherwise, you may be less protected by our purchase protection policies.

**Termination.** We may terminate debit card services, in whole or in part, without advance notice, due to your default, account downgrade, our decision to terminate our debit card business, or as a security precaution. If you or we cancel this Debit Card Agreement you must surrender or destroy your Card or any other Access Device issued to you. Depending on the circumstances, we will attempt to give you prior notice, but this may not be possible in all cases.



**In Case Of Errors Or Questions About Your Electronic Transfers.** Telephone Customer Service at (402) 935-7733, contact us using the contact form available from the footer of any PayPal page, or write [CountryMailList/debitcard-dept-single-line unprocessed] as soon as you can if you think your statement is wrong or if you need more information about a transfer shown on the statement. We must hear from you NO LATER than 60 days after the problem or error has appeared on your on-line statement. If you are certain that a transaction is an error, complete the affidavit form and mail it to [CountryMailList/debitcard-dept-single-line unprocessed].

**What We'll Ask You.** If you initially provide this information to us via the telephone, we may require that you send your complaint or question in writing within 10 business days. Please complete the affidavit form and mail it to [CountryMailList/debitcard-dept-single-line unprocessed]. We will advise you of the results of our investigation within 10 business days after we hear from you (20 business days for transactions at a point of sale terminal or outside the United States) and if we have made an error, we will correct it promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question (90 days for transactions at a point of sale terminal or outside the United States). If we decide to do this, we will provisionally re-credit your Account within 10 days for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your question or complaint in writing and we do not receive it within 10 business days, we may not provisionally re-credit your Account.

At the end of our investigation, we will advise you of the results within three (3) business days. If we determine that there was no error, we will send you a written explanation and we may debit any provisional credit, any fees, and/or interest provisionally credited in relation to the alleged error. You may ask for copies of the documents that we used in our investigation.

**Our Liability For Failure To Complete Transactions.** If we do not complete a Card transaction on time or in the correct amount, according to our agreement with you, we will be liable for your losses or damages proximately caused by this failure. However, there are some exceptions. For instance, we will not be liable if:

- a. Through no fault of ours, you do not have enough available funds in your PayPal Account to make the transaction.
- b. The automated teller or cash dispensing machine does not have enough cash.
- c. Any terminal or system was not working properly and you knew about the breakdown when you started the transaction.
- d. Circumstances beyond our control (such as fire or flood) prevent the transaction, despite reasonable precautions that we have taken.

**Confidentiality.** We will disclose information to third parties about your Card account or the transactions you complete with the Card only in accordance with our Privacy Policy, including:

- a. In order to process and complete your transactions, including verifying the authenticity of the transaction;
- b. In order to comply with government agency or court orders, including proper requests from law enforcement agencies, or to conduct investigations of fraud or violations of our User Agreement; or
- c. If you give us your written permission.

Please see our Privacy Policy for a complete description of our use and protection of your Account information, including our use of cookies.

**What Constitutes a Business Day.** PayPal's business days are Monday through Friday. Saturday, Sunday, and Holidays are not considered business days.

**Non-U.S. and U.S. Territory Availability:** The PayPal ATM/Debit Card is available only to U.S. members with an address in the 50 states, and select Canadian users. Over time, PayPal intends to make cards available to select users residing outside the U.S. or in U.S. territories.

**Retrieval Requests:** Upon written request, copies of documentary evidence of transactions on your PayPal Debit card account are available for income tax and other purposes at a cost of \$10 USD per item. As long as the computer you use to access your PayPal account is connected to a functioning printer, you can always print out your transaction history, or the details of a specific transaction, without any additional charge. We will not charge you for documentation obtained in connection with a good faith assertion of error in connection with your PayPal Debit card.

**"Virtual" MasterCard Debit Card Number:** If you are a Verified U.S. account holder with a confirmed bank account, a registered Credit Card and money in your account, you have the option to redeem your funds by making an online purchase at any major internet retailer (e.g. Amazon.com). The Shop Anywhere / PayPal Debit Bar feature allows you to spend your PayPal balance at online stores. You will be issued a 16-digit "virtual" MasterCard debit card number and an expiration date, which together can be used to access the balance of your PayPal account at online merchants that accept MasterCard. For your security, the spending limit on the virtual debit card is \$150 USD per day.

The 16-digit Virtual Debit Card is different from a plastic (i.e., "real") PayPal MasterCard ATM/Debit Card (See Section 1 above). The PayPal ATM / Debit Card will bear a different 16-digit account number and expiration date and will allow you to use your PayPal balance for payment in offline transactions, as well as ATM withdrawals.

**Additional Agreement for users requesting a second Debit Cards attached to account.** PayPal provides that current debit card holders who continue to meet the original debit card requirements (see section 1) may request a second debit card (i.e. for a spouse). The primary cardholder warrants and agrees that he or she will be liable for all charges incurred by the secondary cardholder to the same extent and as if they were charges made by the primary cardholder. Because the PayPal account belongs to the primary debit cardholder, PayPal customer service will not share any account information with the secondary card holder. The secondary cardholder can, however, report his or her card Lost or Stolen at any time to our customer service department. Finally, please be aware that each PayPal account has a single daily debit card spending limit of \$3000 USD and a single daily ATM limit of \$400 USD . These limits will be shared between both cards (that is, daily limits will not increase if a second card is requested).

## PayPal BillPay Policy

This Policy was last modified on 2003-FEB-7 .

### 1. User Responsibilities

- a. **Eligibility.** In order to use PayPal's BillPay service, you must be a registered and Verified user of the PayPal service and a resident of the U.S. You must also agree to and abide by the Terms outlined in the User Agreement for the PayPal service.
- b. **Sending Limits.** BillPay transactions are subject to a daily sending limit of \$2500 USD . Users may not exceed this limit in any given 24 hour period. You may only use the BillPay service to send payments in U.S. Dollars.
- c. **Correct Bill Information.** You agree to provide the correct information with respect to all transactions initiated using BillPay, including the Zip code of the biller, your account number and the payment amount.
- d. **Privacy.** View our Privacy Policy. You agree that you have had an opportunity to review, download or print our Privacy Policy. You consent to have bill information available to the billers and the bill payment processor in order to complete the BillPay transactions.

### 2. Rights and Disclaimers of PayPal

- a. **Processing.** PayPal shall make reasonable efforts to ensure that requests for BillPay transactions and the

related electronic debits and credits involving checking accounts, credit or debit cards are processed in a timely manner. A number of factors, however, several of which are outside of our control, will contribute to when your biller will credit your account. For this reason, we recommend that you schedule all BillPay transactions such that the estimated settlement date is at least three (3) business days before the actual due date of the bill. Although the estimated settlement date is shown to the users, we make no warranties regarding the amount of time needed to complete processing. PayPal shall not be liable for any actual or consequential damages arising from any claim of delay of BillPay transactions due to any number of reasons, including but not limited to the following:

- i. You do not have sufficient funds in your funding accounts (PayPal account, bank account) to complete the payment
  - ii. You have not provided the correct Biller information
  - iii. Circumstances outside of PayPal's control (including but not limited to fire, flood, delays in the banking system or interference from an outside force)
- b. **Fees.** PayPal BillPay is offered for free to all Verified PayPal users. Fees may be introduced in the future, but no changes will be made without advanced notification.

## AUTHORIZATION AGREEMENT FOR EBAY BILLING

This Policy was last modified on 2005-MAR-11 .

### 1. PARTIES TO THIS AGREEMENT

This Authorization Agreement for eBay Billing ("Billing Agreement") is between PayPal, Inc. ("PayPal"), eBay Inc. ("eBay") and you.

### 2. AUTHORIZATION TO CHARGE YOUR PAYPAL ACCOUNT FOR EBAY FEES

By agreeing to these terms, you are giving eBay permission to charge your PayPal account on a one-time, sporadic, or recurring basis to collect fees that you owe eBay, unless and until you cancel your Billing Agreement. You authorize PayPal to pay from your PayPal account the full amount of fees presented by eBay. PayPal will not initiate payments on its own under this Billing Agreement; it will only pay out charges initiated by eBay. eBay will present you with an invoice at least 10 days in advance of charging your PayPal account. PayPal will become your payment method on file with eBay for automatic payment of your eBay selling fees. If you previously had another payment method on file for automatic payment of fees, PayPal will replace that method. If you change the website of registration of your eBay account (for example, you change registration from eBay.com to eBay.ca), this Billing Agreement will be cancelled. If you change the currency of your eBay account, you will need to again specify PayPal as your automatic payment method for your account in the new currency. If this Billing Agreement is cancelled, or if the payment of your eBay fees through PayPal cannot be completed for any reason, you remain obligated to pay eBay for all unpaid fees, and eBay may charge a payment method previously on file with eBay for payment of your selling fees, such as a credit card or checking account.

### 3. FUNDING SOURCE USE

When eBay charges your PayPal account, PayPal will always attempt to withdraw funds from your PayPal balance first. If funds in your balance are insufficient, PayPal will look for and attempt to charge a Preferred Funding Source that you have set up for this Billing Agreement. If the Preferred Funding Source fails (for example, a credit card expires), then PayPal will use other available funding sources within your PayPal account. You will have the ability to disable funding sources for use with this Billing Agreement, with the exception that if

you have one or more credit or debit cards linked to your PayPal account, then at least one of those cards must be enabled for billing. You will be able to select or deselect a Preferred Funding Source, and to enable or disable other funding sources, both within the enrollment flow, and at any time through the Preapproved Payments link under the Account Profile tab when you log in to the PayPal website.

## Bonus Policy

This Policy was last modified on 2005-JAN-14

1. **In General.** PayPal currently offers a Merchant Referral Bonus program ("the Bonus") to all account holders. By participating in the Bonus, you acknowledge that you have read, understood, and agree to be bound by these Terms and Conditions. The PayPal New Account and Referral Bonus programs were discontinued on 2004-SEP-26 .
2. **Merchant Referral Bonus.**
  - a. **Eligibility.** This Bonus is open to all PayPal users. PayPal reserves the right to discontinue this program at any time within thirty days of notifying users. Should the program be discontinued, you will receive the full bonus for new merchants you have referred under the following terms.
  - b. **Persons Who May Be Referred.** You must only refer PayPal to individuals AND BUSINESSES with whom you have a pre-existing personal or business relationship (a "Merchant"). Without limiting the generality of the foregoing, you must not obtain names for referral from i) group email addresses or ii) THIRD PARTY BULK MAILING LISTS, CUSTOMER LISTS OR email lists. You must not submit yourself for this referral bonus. You will not be eligible for a bonus for referring a business that signs up for PayPal during a reduced fee promotional offer period.
  - c. **No Spamming.** We strictly forbid the sending of unsolicited e-mail to numerous recipients ("spamming") and any PayPal user who spams other Internet users for referral bonuses will have his or her account immediately and permanently terminated. See our Anti-Spam Policy for additional information.
  - d. **Number of Merchant Referral Bonuses.** For a limited time, there are no restrictions on the number of Merchant Referral Bonuses you may earn.
  - e. **Bonus Requirements.** For each merchant that you refer to PayPal who completes the new account bonus requirements below, we will credit a bonus, under the following guidelines, to your PayPal account. A merchant will only be deemed to have been referred for the purposes of these Terms and Conditions if:
    - i. They are not a PayPal user at the time of the PayPal Referral
    - ii. They sign up for a Premier or Business PayPal account

For all referrals, you must have a PayPal account in good standing. All conditions must be met before the Bonus expires.
  - f. **Bonus Amount.** The Merchant Referral Bonus is a revenue-sharing agreement in that bonus amounts will be derived from the Merchant's Net Merchant Sales ("NMS"), defined as the Merchant's Gross Merchant Sales (the sum of Website Payments and qualified Send Money transactions paid to the Merchant's account), less any chargebacks, refunds, and reversals. "Website Payments" are payments made through PayPal's Merchant Tools, including Buy Now and Donation buttons, Subscriptions & Recurring Payments, the PayPal Shopping Cart. "Qualified Send Money transactions" are payments made through the Send Money tab of the website where the user selects the Type "Goods (other)," "Quasi-Cash," or "Service". The bonus payment is based on the amount of NMS, as follows:
    - i. **Initial Payout.** When the Merchant reaches \$200 USD in NMS, and has become Verified, the initial

\$1 USD bonus will be credited to your PayPal account.

If the merchant's Primary Balance is in a currency other than U.S. Dollars, the Initial Payout cliff will be determined according to the following schedule:

**Table 10.**

Currency of Primary Balance	\$200 USD NMS Equivalent
Canadian Dollars	\$300 CAD
Euros	€200 EUR
Pounds Sterling	£150 GBP
Yen	¥20000 JPY
Australian Dollars	\$200 AUD

If your Primary Currency is in a non-U.S. Dollar currency, your Initial Payout will be awarded according to the following schedule:

**Table 11.**

Currency of Primary Balance	Merchant Referral Bonus Amount
Canadian Dollars	\$1.50 CAD
Euros	€1 EUR
Pounds Sterling	£.50 GBP
Yen	¥100 JPY
Australian Dollars	\$1 AUD

- ii. **Residual Payout.** After the Initial Payout, and as long as the merchant is still within the 12-month Payout Period, you will receive residual payouts equivalent to 0.5% of the Merchant's NMS in excess of \$200 USD no sooner than once every 30 days.
- iii. **Maximum Payouts.** You may only receive up to \$1000 USD in Payouts per referred Merchant. The total of your bonus may not exceed PayPal's revenue for the volume that you have driven. If your Primary Balance is in a currency other than U.S. Dollars, your maximum payout will be determined

according to the following schedule:

**Table 12.**

Currency of Primary Balance	Maximum Payout
Canadian Dollars	\$1500 CAD
Euros	€1000 EUR
Pounds Sterling	£750 GBP
Yen	¥100000 JPY
Australian Dollars	\$1350 AUD

- g. **Payout Period.** You are only eligible to receive Merchant Referral Bonus payouts for the first 12 months of the Merchant's account ownership.
- h. **Payout Frequency.** You will receive your Initial Payout within one week of the Merchant reaching the initial \$200 USD in NMS and becoming Verified. Residual Payouts will be made no sooner than every 30 days thereafter.
- i. **Method of Referral.** To receive credit for referring a Merchant, the Merchant must sign up for his or her PayPal account by going to the PayPal site through your Merchant Referral Link.
- j. **Exclusivity.** For each account which you refer, you are only eligible to receive a bonus under either the Refer-a-Friend Bonus Program or the Merchant Referral Bonus Program, and not both.

**3. Additional Terms and Conditions.**

- a. **Bonus Period.** PayPal reserves the right to discontinue the Bonus for any reason, at any time and for any duration at its sole discretion, and without notice.
- b. **Remedies for Your Noncompliance.** If PayPal determines in its sole discretion that you have not complied with these Terms and Conditions, it may, in addition to any other rights and remedies it may have against you, immediately and without notice to you, withdraw all benefits to you under the Bonus (including, without limitation, by cancelling or declining to credit any and all refunds issued or to be issued to you in connection with the Bonus and, by declining to send or stopping from being sent, any Bonus payments).
- c. **Limitation of Liability for PayPal.** TO THE FULLEST EXTENT PERMITTED AT LAW, NEITHER PAYPAL NOR ANY OF ITS AFFILIATES, DIRECTORS, OFFICER, EMPLOYEES, OR OTHER REPRESENTATIVES WILL BE LIABLE FOR DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS OFFER. THIS IS A COMPREHENSIVE LIMITATION OF LIABILITY THAT APPLIES TO ALL DAMAGES OF ANY KIND, INCLUDING (WITHOUT LIMITATION) COMPENSATORY, DIRECT, INDIRECT, OR CONSEQUENTIAL DAMAGES; LOSS OF DATA, INCOME, OR PROFIT; LOSS OF OR DAMAGE TO PROPERTY; AND CLAIMS OF THIRD PARTIES.
- d. **Entire Agreement.** These Terms and Conditions represent the entire agreement between you and PayPal



with respect to the Bonus.

- e. **Variation of the Terms and Conditions.** These Terms and Conditions may be amended or modified by PayPal in its sole discretion at any time and these amendments and modifications will apply to you when you use the PayPal service. Any such amendments will be posted to this page, and it is your responsibility to review this page from time to time for such amendments.
- f. **Currency.** Unless otherwise stated, all amounts in these Terms and Conditions are in U.S. Dollars.
- g. **Severance.** If any provision of these Terms and Conditions is held to be invalid, such invalidity will not affect the remaining provisions.
- h. **Governing Law.** These Terms and Conditions will be interpreted, construed, and enforced in all respects in accordance with the laws of the State of California, without giving effect to any principles of conflicts of laws. You hereby irrevocably consent and submit to the nonexclusive personal jurisdiction of the state and federal courts within Santa Clara County, California for the purposes of litigating any such action.

## PayPal Billing Agreement for Preapproved Payments

This Policy was last modified on 2005-MAY-13 .

### 1. General Agreement between Buyer and Merchant

A merchant with specific transactional needs may ask you to enroll in a PayPal Billing Agreement. When enrolling in any Billing Agreement with a Merchant, you are giving that Merchant permission to access funds from your PayPal account according to arrangements made between you and the Merchant. If you enroll, you are giving the Merchant the ability to charge your PayPal account on a one-time, sporadic, or recurring basis until you cancel the specific Billing Agreement from the PayPal website. PayPal facilitates the transaction between you and the Merchant, but does not enforce contractual obligations for payment from you or for delivery of goods or services by the Merchant. Any grievances may be addressed according to PayPal's Buyer Complaint Policy.

### 2. Waiver of Advance Notice

When a merchant charges your PayPal account, and PayPal withdraws funds from your bank account, you have the right to insist on 10 days' advance notice before the payment is pulled from your bank account. This is designed to protect you as a consumer from insufficient funds charges. By signing up for this Billing Agreement, you are agreeing to get this advance notice only when your total payments to a merchant exceed the billing limit. At any time, you may set another funding source as your preferred method of payment or you may disable your bank account entirely from all Billing Agreements. To do so, please click the 'Edit Funding Sources' link below or access your account profile.

### 3. Specific Billing Agreement

Each Merchant must secure your acceptance of the Billing Agreement independently. Each Billing Agreement is only effective for the single Merchant with whom it was entered into.

### 4. Funding Source Use

When the Merchant charges your PayPal Account, PayPal will always attempt to withdraw funds from your PayPal balance first. If funds in your balance are insufficient, PayPal will look for and attempt to charge a Preferred Funding Source that you have set up for a specific Billing Agreement. You will have the option to select a Preferred Funding Source during enrollment, and can update or deselect this Preferred Funding Source at any

time through the PayPal website. If the Preferred Funding Source fails (for example, a credit card expires), then PayPal will use other available funding sources within your PayPal Account. You will have the ability to disable funding sources for use with all Billing Agreements, with the exception that if you have one or more credit or debit cards linked to your PayPal account, then at least one of those cards must be enabled for billing. You will be able to disable or enable funding sources for use with all Billing Agreements both within the enrollment flow, and from the Account Profile on the PayPal website.

## PayPal Acceptable Use Policy

This Policy was last modified on 2005-JAN-14 .

PayPal does not allow its service to be used for illegal activities. PayPal reserves the right to take preventative or corrective actions to protect itself and its users. Thus, PayPal has developed an Acceptable Use Policy (“AUP”), as part of the User Agreement to which each customer agrees at the time of initiation of service. This policy help customers identify activities that are illegal or may be illegal under certain circumstances, and to identify certain types of activities for which PayPal has decided not to process payments, even if the activities may be legal. PayPal reserves the right to revise the AUP, in order to reflect changing customer and business needs. Notice of such changes will be posted in the Policy Update section on PayPal’s website, <https://www.paypal.com>, and the current AUP is available at <https://www.paypal.com/aup>.

Despite PayPal’s active enforcement of its Policies, ultimately it is the responsibility of the user to ensure that all transactions comply with the Acceptable Use Policy and the below guidelines.

**Transactions Covered by the Acceptable Use Policy.** The Acceptable Use Policy covers all PayPal transactions including donations, purchases, and sale of all goods and services, on eBay, another online marketplace, through the seller's own website, or any other forum.

**Violations of the Acceptable Use Policy.** Violating PayPal’s Acceptable Use Policy may result in temporary or permanent limitation of a customer’s account. This includes the inability to send and/or receive payments, to remove financial information from an account, and for users to close their accounts as a way of evading the policy. Additionally, users whose accounts are permanently limited for violating the Acceptable Use Policy are barred from future use of PayPal and its services, and such users are not permitted to open new or additional PayPal accounts.

If you have a question about whether your proposed or existing business violates the Acceptable Use Policy, you can email PayPal’s AUP Compliance Department at: [aupviolations@paypal.com](mailto:aupviolations@paypal.com).

If you encounter violations of the Acceptable Use Policy, please report them to PayPal immediately.

- Academic Software
- Aggregators
- Alcoholic Beverages
- Animal and Wildlife Products
- Artifacts, Grave-Related, and Native American Crafts
- Authenticity Disclaimers
- Autographed Items
- Automobiles
- Batteries

- Bootleg Recordings
- Contracts and Tickets
- Counterfeit Currency and Stamps
- Counterfeit Items
- Credit Cards
- Electronics Equipment
- Embargoed Goods, Prohibited Countries
- Event Tickets
- Faces, Names, and Signatures
- Firearms, Weapons, and Knives Policy
- Fireworks
- Food
- Freon and Other Refrigerants
- Gambling
- Games Software: Sony, Sega, and Nintendo
- Government Identification, Uniforms, and Police-Related Items Policy
- Hazardous, Restricted, and Perishable Items
- Human Parts and Remains
- Illegal Drugs & Paraphernalia Policy
- Importation of Goods Into the United States
- Industrial Solvents
- International Trading - Buyers
- International Trading - Sellers
- Lock-Picking Devices
- Lottery Tickets
- Mailing Lists and Personal Information
- Malls
- Mature Audiences
- Medical Devices
- Mod Chips

- Money Service Businesses
- Multi-level Marketing, Pyramid and Matrix Programs
- OEM Software
- Offensive Material
- Pesticides
- Plants and Seeds
- Postage Meters
- Precious Metals
- Pre-Selling Products
- Prescription Drugs and Devices
- Promotional Items
- Real Estate
- Recalled Items
- Satellite and Cable TV Descramblers
- Slot Machines
- Stocks, Bonds, Securities, and Related Certificates
- Stolen Property
- Stored Value Cards
- Surveillance Equipment
- Tobacco
- Travel
- Unauthorized Copies
- Used Airbags
- Warranties

## Academic Software Policy

Academic software is software sold at significantly discounted prices to students, faculty members, and educational institutions and its sale is subject to copyright restrictions.

### PayPal's policy on academic software

Do not sell academic copies of software using PayPal unless you are the owner of the software or an authorized educational reseller. Do not sell academic copies of software to anyone other than an educational institution, a student,

or a faculty member.

**Guideline:**

If you are authorized to sell academic software, you must include that information on your web-site.

**Example:**

You may not use PayPal to sell the academic version of Microsoft Word which you purchased for use as a student, unless you are an authorized educational reseller.

**Related Acceptable Use Policies:**

OEM Software

Unauthorized Copies

## Payment Aggregators Policy

Under credit card association rules, PayPal cannot permit the use of the PayPal service as a funding method for payment processors to collect payments on behalf of merchants.

## Alcoholic Beverages Policy

The sale of alcoholic beverages is highly regulated and taxed within the United States. In many states, for example, sellers of alcoholic beverages must be licensed, and in all states they must take steps to ensure that they do not sell their products to minors.

You may use PayPal to buy and sell alcoholic beverages provided you follow all legal restrictions and guidelines in your state or country of residence and abide by the below PayPal policies.

**Selling in the U.S.**

PayPal members may sell alcohol provided they have a PayPal Business account, have obtained all licenses required in their state, have programs in place for age verification and accurately classify their industry (Log in to your PayPal account, under My Account click on the Profile subtab. In the Account Information column click Business Information. Click the Edit button to update your Industry Category Classification as "Food and Drink" and Subcategory as "Alcoholic Beverages").

**Buying in the U.S.**

Any PayPal members who are not legally allowed to purchase alcoholic beverages online (either because of restrictions on age or restrictions on the sale and transportation of alcoholic beverages within their state of residence) may not use PayPal to purchase alcoholic beverages.

**Buying and Selling Internationally**

PayPal members who reside outside the U.S. may buy and sell alcoholic beverages providing they abide by any and all legal restrictions regarding the sale and purchase of alcoholic beverages in their country of residence.

## Animals and Wildlife Products Policy

The following rules govern all sales of animals and wildlife products using PayPal. If you have a question about migratory birds, endangered species or other animals or animal products please contact the U.S. Fish & Wildlife Service Law Enforcement Office, your state wildlife regulatory agency, or refer to extensive information on this topic

available at Convention on International Trade in Endangered Species of Wild Fauna and Flora (<http://www.cites.org/>) (CITES).

### **Stuffed Birds**

- **Migratory Birds**

You may not use PayPal to sell stuffed migratory birds in any form. This includes migratory birds that can be lawfully hunted including all ducks, geese, hawks, owls, crows, and ravens.

- **Captive Bred Birds**

You may use PayPal to sell Mallard ducks bred in captivity provided you clearly state that the Mallard duck is captive-bred. No other captive-bred waterfowl species may be sold without permits obtained from the U.S. Fish & Wildlife Service.

- **Non-Migratory Birds**

You may sell stuffed non-migratory birds, or parts of such birds including upland game birds such as quail, turkey, pheasants, and grouse as long as both buyer and seller abide by all wildlife laws of their state of residence.

### **Animal Pelts and Skins**

In general, animal pelts and skins from non-endangered species, such as non-protected species of zebras or coyotes, may be sold if not in violation of specific state laws of either the buyer or seller. Animal parts, including pelts and skins, from endangered species, bears and mountain lions may not be sold using PayPal. Endangered and Protected Species

You may not use PayPal to sell any part or product of endangered or protected species.

### **Bear Products**

You may not use PayPal to sell any part or product of bears including bear teeth, claws, and rugs.

### **Mountain lions**

You may not use PayPal to sell any part or product of mountain lions.

### **Marine Mammals**

You may not use PayPal to sell marine mammal products, including but not limited to polar bear, sea otter, baleen and ivory whales, porpoise, dolphins, and seals, unless the animal part has been first transformed into an authentic Alaskan Native article of handicraft or clothing. The export/import of marine mammals typically requires CITES as well as other state and/or federal permits. You should contact the U.S. Fish and Wildlife Service and/or National Marine Fisheries Service before importing or exporting marine mammal products.

### **Ivory**

The sale of ivory through PayPal must conform to the guidelines provided by the U.S. Fish and Wildlife Service and your state wildlife regulatory agency. Any transaction where either buyer, seller, or both reside within the United States must also comply with applicable state laws. In general, ivory from African elephants may be sold as long as it was lawfully imported into the United States. Woolly mammoth ivory may be sold inside or outside the United States. Hippo ivory may be sold within the United States, but may not lawfully be imported into the United States.

### **Internal organs of animals**

You may not use PayPal to sell the internal organs of any animal.



You may not use PayPal to sell any item made from genuine tortoise shell or other turtle parts or products. This includes items like guitar picks, jewelry, jewelry boxes, hair combs, and other products. Where it is common to use the phrase "tortoise shell" to describe items made from plastic, glass, or composite material with a particular design resembling a tortoise shell, it must be clearly stated that the item is not made of genuine tortoise shell if sold using PayPal or advertised or sold on websites listed in PayPal Shops. Special notice to sellers doing business in California

If you reside in California and you sell items made from the parts of non-protected species, including elephants, zebras, alligators and crocodiles, review California Penal Code 653o, and ensure that your sales comply with that law.

All importers and exporters of wildlife must file a completed Declaration for Importation or Exportation of Fish or Wildlife (Form 3-177) with the USFWS.

#### **Related Acceptable Use Policies:**

Human Parts and Remains

## **Artifacts, Grave Related Items, and Native American Crafts Policy**

The following rules govern all items sold using PayPal as well as all items listed on websites listed in PayPal Shops. PayPal cooperates with the Department of the Interior, Department of Agriculture, Bureau of Indian Affairs and Federal Bureau of Investigation in determining which artifacts, Native American items, cave formations, and grave-related items are protected under specific federal laws and what may lawfully be sold under these laws.

#### **Native American items**

You may not use PayPal to sell Native American human remains, grave, or burial-related items. This includes masks and "prayer sticks" from all Southwestern tribes.

#### **Artifacts**

You may not use PayPal to sell artifacts taken from any federal, state, public Department of Interior Agency (NPS, BLM, USFWS), Department of Agriculture Agency (USFS), Native American land, or battlefield.

#### **Cave formations**

The Federal Cave Resources Protection Act of 1988 (<http://www4.law.cornell.edu/uscode/16/ch63.html>) prohibits the sale of speleothems, stalactites, and stalagmites obtained from caves on any federal land. Many states also prohibit the sale and/or removal of speleothems, stalactites, and stalagmites taken from caves. Please be sure your item complies with all applicable laws before selling it.

You may sell an item lawfully removed from private land. However, government survey markers, such as those issued and marked by the U.S. Geological Survey, may not be sold unless accompanied by proof that the government has transferred ownership of the marker to a private person or entity. Historical graves, tombstones, or related markers

You may not use PayPal to sell historical graves, tombstones, or related markers. PayPal recognizes that some of these items may be legal to sell, but has adopted this policy in order to discourage vandalism.

#### **New grave markers and burial plots**

New grave markers and burial plots can be sold using PayPal; however, if you have questions about the legality of a particular Native American item or any protected artifact, PayPal recommends that you first contact the Department of Interior at (505) 248-7937 for further information.

### Native American crafts

Under the Indian Arts and Crafts Act, you may sell arts and crafts offered as American Indian or Alaska Native if the piece was made by an enrolled member of a state or federally recognized Indian tribe, or by an individual certified as an Indian artisan by the governing body of an Indian tribe. If you're representing your arts and crafts related item as an "American Indian" or "Alaska Native" piece, make sure that you're complying with all applicable laws and accurately representing your item, particularly if you're selling Indian-style jewelry, pottery, baskets, carved stone fetishes, woven rugs, kachina dolls, or clothing.

If you have any questions regarding the sale of American Indian or Alaska Native art or craftwork, contact the Indian Arts and Crafts Board at (202) 208-3773, or visit the IACB (<http://www.doi.gov/iacb/act.html>) .

### Related Acceptable Use Policies:

Human Parts and Remains

## Authenticity Disclaimers

You may not disclaim knowledge of, or responsibility for, the authenticity or legality of the items you offer. Sellers should take the necessary steps to authenticate their items before they are sold. If an item cannot be verified it should not be sold.

### The following examples violate PayPal's Authenticity Disclaimer Policy:

"I cannot guarantee the authenticity of this item, so please buy accordingly."

"Vintage Handbag - Chanel???"

The repeated use of authenticity disclaimers could result in the suspension or termination of your PayPal privileges.

## Autographed Items Policy

If you are buying or selling an autographed item you should have some reliable means of establishing the signature's authenticity before a transaction. Both buyer and seller are responsible for establishing legitimacy of any autographed item. Qualified experts are available and we recommend buyers and sellers take advantage of these services if there are any doubts about the authenticity of the item.

Sellers should make available all relevant information known about the autograph and the item it appears on as well as clearly set out their refund policy should any reputable dealer find that the item is not authentic. If a seller promotes that an autograph comes with a "certificate of authenticity," the seller **must** make available all relevant information about the certificate, including the name of the person or company issuing the certificate.

### A note about certificates of authenticity

Certificates of authenticity (COAs) can help establish the authenticity of a particular autograph, or can give a buyer certain rights if the item is later determined to be a forgery, but not all certificates provide meaningful protection. Carefully review the information in the certificates for the following information:

#### 1. Who issued the certificate?

- Does the certificate state that it was issued at the same time the item was signed? If so, how can you confirm that the information in the certificate is accurate, and that the certificate matches the item you're purchasing?
- If the certificate was issued after the item was signed, does the issuer of the certificate have any particular expertise that qualifies him/her to give an opinion about the autograph? Does the expert have scientific forensic training, or is he/she experienced in dealing with this particular celebrity or autograph? What is the

relationship between the seller and the issuer of the certificate?

- Does the certificate give the buyer any rights? If a qualified expert later declares that the item is a forgery, can the buyer get a refund? Is there any time limit?

#### **Related Acceptable Use Policies:**

Counterfeit Currency and Stamps

## **Automobiles**

If you are selling an automobile with PayPal, you must have the title in your possession and you must follow all pursuant laws in your jurisdiction.

## **Batteries Policy**

Pursuant to federal laws, you may not use PayPal to sell batteries containing mercury. The following are examples of mercury-containing batteries:

1. mercuric oxide button batteries (button-shaped batteries typically used in vintage camera equipment) (<http://www4.law.cornell.edu/uscode/42/14332.html>)
2. alkaline-manganese batteries containing mercury (<http://www4.law.cornell.edu/uscode/42/14333.html>)
3. zinc-carbon batteries containing mercury (<http://www4.law.cornell.edu/uscode/42/14334.html>)

## **Bootleg Recordings Policy**

You may not use PayPal to sell unauthorized copies of live shows or concerts.

#### **Related Acceptable Use Policies:**

Unauthorized Copies

## **Contracts and Tickets Policy**

Before selling an item using PayPal, you should carefully read any contracts that you have entered into that might limit your right to sell your item. Some items, like airline tickets, have terms that may limit your ability to sell them. In other cases, such as the distribution of a company's products, a separate contract may have been signed.

You are responsible for ensuring that your transaction is lawful. If you have any questions regarding your rights under a contract or agreement, we strongly recommend that you contact the company with whom you entered into the contract and/or consult with an attorney.

## **Counterfeit Items Policy**

You may not use PayPal to sell counterfeits, unauthorized replicas, or otherwise unauthorized items (such as counterfeit watches, handbags, or other accessories).

#### **Guideline**

You may not use PayPal to sell a product that bears the name or logo of a company but wasn't

made or endorsed by that company.

**Examples**

The following are examples of items that may not be sold using PayPal:

- A purse that has the Chanel ® name on it but was not made by Chanel
- Sunglasses bearing the Oakley ® name in a style never made by Oakley
- A fake autograph claiming to be real
- Replacement parts for an Epson ® printer which use Epson's part numbers and names, but were not made by Epson

**Warning**

You may not use PayPal to sell replica, counterfeit, or otherwise unauthorized items. Violations of PayPal's Replica and Counterfeit Item policy could result in the suspension of your account.

**Related Acceptable Use Policies:**

Counterfeit Currency and Stamps

## Credit Card Policy

You may use PayPal to sell inactive credit or debit cards provided that the card has been expired for at least 10 years (this time frame was selected by PayPal to define "collectible" credit cards). Older, expired credit cards, originally issued by credit card companies, gas companies, stores, and banks, may have some collectible value. However, you should also examine the terms and conditions on the card to ensure that the sale of the expired card is not prohibited. Make sure when posting a picture of the card you block out at least a part of the name and/or number on the card.

You may not use PayPal to sell unexpired or active credit or debit cards, or transfer to another person recently expired credit cards.

**Related Acceptable Use Policies:**

Mailing Lists and Personal Information

## Counterfeit Currency and Stamps Policy

Pursuant to U.S. federal law, you may not use PayPal to sell counterfeit currency or stamps as well as equipment designed to make such illegal products. These laws ban not only counterfeit paper money, but also counterfeit coins, bank notes, bonds, money orders, and other securities. U.S. law also protects foreign currency and stamps from counterfeiters. A few examples of the actual U.S. counterfeiting laws can be found below:

- General Counterfeit Securities (<http://www4.law.cornell.edu/uscode/18/472.html>)
- Counterfeiting Equipment (<http://www4.law.cornell.edu/uscode/18/474.html>)
- Counterfeit Coins (<http://www4.law.cornell.edu/uscode/18/486.html>)
- Counterfeit Stamps (<http://www4.law.cornell.edu/uscode/18/501.html>)

You may use PayPal to sell replica coins for collectors but you must follow federal regulations, as stated under the Hobby Protection Act, which states that any "reproduction," "replica," or "copy" coin (U.S. or foreign) must be plainly and permanently marked with the word COPY to protect collectors against fraud or confusion. If you're selling items in this area, protect yourself by reading the act.

**Related Acceptable Use Policies:**

Counterfeit Items

## Illegal Drugs & Paraphernalia Policy

**Narcotics, steroids, and other controlled substances**

You may not use PayPal in the purchase or sale of any drug or other substance, or immediate precursor, included in Schedule I of the Uniform Controlled Substances Act, 21 U.S.C. 801 et seq. ([http://www4.law.cornell.edu/cgi-bin/htm\\_hl?DB=uscode21&STEMMER=en&WORDS=title+21+801+&COLOUR=Red&STYLE=s&URL=/uscode/21/801.html#muscat\\_highlighter\\_first\\_match](http://www4.law.cornell.edu/cgi-bin/htm_hl?DB=uscode21&STEMMER=en&WORDS=title+21+801+&COLOUR=Red&STYLE=s&URL=/uscode/21/801.html#muscat_highlighter_first_match)) or related paraphernalia. The U.S. Attorney General has found that Schedule I drugs have a high potential for abuse, no currently accepted medical use in treatment, and lack accepted safety for use. These substances are illegal to manufacture, distribute, or possess. Additionally, although the sale of such may be legal in certain jurisdictions or circumstances, due to safety concerns, PayPal also prohibits the sale of GHB (gamma hydroxyl butyrate), Rohypnol, and anabolic steroids.

**Drug Paraphernalia**

You may not use PayPal to sell drug paraphernalia, as defined in (<http://www4.law.cornell.edu/uscode/21/863.html>) . Such paraphernalia includes equipment, product, or material of any kind which is primarily intended or designed for use in manufacturing, compounding, converting, concealing, producing, processing, preparing, injecting, ingesting, inhaling, or otherwise introducing into the human body a controlled substance.

In determining what goods or services are prohibited under the Illegal Drug Paraphernalia Policy, PayPal will consider some or all of the following factors:

- Instructions, oral or written, provided with the item concerning its use
- Descriptive materials accompanying the item which explain or depict its use
- Presentation and marketing of item
- The existence and scope of legitimate uses of paraphernalia to the public at large

**Related Acceptable Use Policies:**

Prescription Drugs and Devices

## Electronics Equipment Policy

**Scanners**

In general, you may use PayPal to sell scanning receivers and radios. However, you may not list any scanning receiver or radio that receives cellular transmissions or has "full 800 MHz" coverage.

**Low power radio transmitting devices and related equipment**

You may not use PayPal to sell devices that transmit radio signals on the AM or FM bands or devices that claim or suggest a more extensive range than allowed under Federal Communications Commission regulations.

On FM frequencies, these low power devices are limited to an effective service range of approximately 35 to 100 feet (11-to-30 meters).

On the AM broadcast band, these devices are limited to an effective service range of approximately 200-to-250 feet (61 to 76 meters). For more information visit the FCC's Audio Services Division (<http://www.fcc.gov/mb/audio/>) .

### **Radar jamming devices**

You may not use PayPal to sell products that claim to "jam" or otherwise interfere with police radar devices as they are considered unlawful by the FCC.

### **Extended coverage high frequency transceivers**

Equipment that is intended to operate in various radio services in the high frequency radio spectrum, including "10-Meter" Amateur Radio Service (ARS) equipment, is lawful and may be sold. You may use PayPal to sell a high frequency transceiver designed to operate on frequencies outside of the ARS bands if you have a grant of equipment authorization for the radio service(s) in which the transmitter is capable of operating.

### **CB amplifiers**

In accordance with the Federal Communications Commission (FCC), you may not use PayPal to sell power amplifiers with Citizens Band radios. You may not sell the following:

- CB amplifiers
- Amplifiers specified for use on the 11 Meter band
- Amplifiers designed for use in frequencies 24 MHz to 35MHz
- Amplifiers posted within the CB category
- CB Radios that are amplified to exceed 4 Watts using the AM Settings or 12 Watts using the SSB settings

Further clarification can be found in the FCC rules C.F.R. Title 47 Section 2.815 Or see the FCC rules regarding CB Transceivers for more information (<http://wireless.fcc.gov/services/personal/cb/operations/>) .

### **Cordless telephones**

Generally, you may use PayPal to sell cordless telephones. All cordless telephones listed for sale must be authorized by the FCC and display an FCC identification number and compliance label. You can visit the FCC's website (<http://www.fcc.gov/>) to conduct a search for FCC-authorized equipment, including cordless telephones.

You may not use PayPal to sell unauthorized long-range cordless telephones that may interfere with frequencies of authorized users and aeronautical communications. If you are selling a long-range cordless telephone that operates below 1000 MHz and that transmits over one kilometer (1094 yards) you must state the specific FCC identification number displayed on that telephone.

### **Radar Detectors**

All radar detectors must be certified by the FCC. Please consult the FCC's website guide on certified radar detectors to ensure compliance with this law.

### **Odometer Modification Devices**

You may not use PayPal to sell odometer modification and calibration devices (both manual or electronic).

## **Embargoed Goods, Prohibited Countries Policy**



Various U.S. agencies have sanctions in place that substantially regulate or ban all trade with particular countries, including Cuba, Iran, Iraq, Libya, North Korea, and other countries. For example, under U.S. law, selling items made in Cuba may not be lawful, depending on the nature of the item, when it was manufactured, and when it left Cuba, among other factors. Non-U.S. sellers, and sellers of items made outside the United States should periodically review current information about which countries may be affected by sanctions enforced by the Office of Foreign Assets Control (<http://www.ustreas.gov/offices/enforcement/ofac/>) of the U.S. Department of the Treasury (<http://www.ustreas.gov/>) .

### **PayPal's policy on items from Cuba**

In general, you may use PayPal to sell items from Cuba if they are "informational," "pre-embargo," or "licensed." You may sell any Cuban item of an "informational" nature, such as books, movies, artwork, photographs, music, and similar materials without restrictions.

In general, you may sell non-informational Cuban items only if the item was removed from Cuba (or the possession of a Cuban national) before July 8, 1963, when a U.S. embargo was put into effect ("pre-embargo"). Items listed under this exception may not be sold to persons outside the U.S. You may sell any Cuban item prohibited by the rule above if you can provide a copy of a license issued by the Department of Treasury Office of Foreign Assets Control that "unblocks" or otherwise terminates the Cuban interest in the item.

### **Special note for stamp and coin collectors**

You may use PayPal to sell cancelled Cuban stamps since they are treated as "informational" items. However, you may not use PayPal to sell active stamps or currency issued by the government of Cuba after the embargo date nor can stamps or currency issued by the government of Cuba before the embargo date, but still in Cuba (or in the possession of a Cuban national) at any time after the embargo date.

This PayPal policy is only a general guideline. Please visit the U.S. Department of Treasury Office of Foreign Assets Control (<http://www.treas.gov/ofac/index.html>) - for more details about laws governing such trades and copies of the actual governing laws.

Non-U.S. sellers should become familiar with the restrictions of other federal agencies. Links to these agencies' websites are maintained on the Department of Commerce (<http://www.commerce.gov/>) and the Bureau of Industry and Security (<http://www.bxa.doc.gov/>) .

### **Prohibited Persons**

Federal agencies have also banned or regulated trade between U.S. persons with certain organizations, businesses, and persons. For additional information about these regulations and lists of these prohibited persons visit the Office of Foreign Assets Control (<http://www.treas.gov/ofac/index.html>) - and the Denied Persons List (<http://www.bxa.doc.gov/DPL/Default.shtm>)

## **Event Tickets Policy**

### **Event ticket resale policy**

The resale price of tickets to entertainment events (including sporting events, concerts, and plays) is regulated for residents of some states, provinces and municipalities. To assist users and promote lawful ticket sales, PayPal has identified some states that regulate event ticket sales below. Sellers must restrict the sale of event tickets to residents in the state or province of the regulated event to the amounts described below.

**Table 13.**

<b>State where event will be held</b>	<b>Location of seller</b>	<b>Location of buyer</b>	<b>PayPal Policy</b>

Regulated state (i.e., New York...see complete list below)	Same regulated state as event (i.e., New York)	Any location	Seller unable to accept offers from any user above the face value + amount set by regulated state (if any)
Regulated state (i.e., New York...see complete list below)	Different state from event	Same regulated state as event	Seller can accept offers without limits, but buyers within the same regulated state limited in buying at face value + amount set by regulated state (if any)
Non-regulated state	Any location	Any location	Seller can accept offers, and buyers can purchase without limits

### Regulated state and province list

PayPal's ticket resale policy applies to events held in the following states and Canadian provinces (Underlined states have links to additional information):

#### U.S. States

##### Arkansas

State law permits the resale of tickets by sellers in Arkansas at no greater than face value for all entertainment events held in the state. For tickets to Arkansas events sold by non-Arkansas residents, buyers within Arkansas may not purchase above face value.

##### Connecticut

State law permits the resale of tickets by sellers in Connecticut at no greater than face value plus \$3 per ticket for all entertainment events held in the state. For tickets to Connecticut events sold by non-Connecticut residents, buyers within Connecticut may not purchase above face value plus \$3.

##### Florida

State law permits the resale of tickets by sellers in Florida at no greater than face value plus \$1 per ticket for all entertainment events held in the state. For tickets to Florida events sold by non-Florida residents, buyers within Florida may not purchase above face value plus \$1. In addition, PayPal does not permit the sale of multi-day or multi-event tickets that have been used at least once for admission.

##### Illinois

State law permits resale of tickets by sellers in Illinois at no greater than face value for all entertainment events in the state. However, ticket brokers licensed in the State of Illinois are not covered by this rule and may accept any price for tickets provided that their Illinois registration number is clearly displayed to potential buyers.

##### Kentucky

State law permits the resale of tickets by sellers in Kentucky at no greater than face value for all entertainment events held in the state. For tickets to Kentucky events sold by non-Kentucky residents, buyers within Kentucky may not purchase above face value.

**Louisiana**

State law permits the resale of tickets by sellers in Louisiana at no greater than face value for all entertainment events held in the state. For tickets to Louisiana events sold by non-Louisiana residents, buyers within Louisiana may not purchase above face value.

**Massachusetts**

State law permits the resale of tickets by Massachusetts residents at no greater than face value plus \$2 per ticket for all entertainment events held in the state. For tickets to Massachusetts events sold by non-Massachusetts residents, buyers within Massachusetts may not purchase above face value plus \$2.

**Michigan**

State law permits the resale of tickets by sellers in Michigan at no greater than face value for all entertainment events held in the state. For tickets to Michigan events sold by non-Michigan residents, buyers within Michigan may not purchase above face value.

**Minnesota**

State law permits the resale of tickets by sellers in Minnesota at no greater than face value for all entertainment events held in the state. For tickets to Minnesota events sold by non-Minnesota residents, buyers within Minnesota may not purchase above face value.

**Mississippi**

State law permits the resale of tickets at no greater than face value by Mississippi residents for all entertainment events held on state owned property, and athletic contests at Mississippi colleges or Universities in the state. For tickets to these events sold by non-Mississippi residents, buyers within Mississippi may not purchase above face value. The resale of tickets to other events held in Mississippi are not restricted by this rule.

**Missouri**

State law permits the resale of tickets by Missouri residents at no greater than face value plus \$3 per ticket for all sporting events held in the state. For tickets to Missouri sporting events sold by non-Missouri residents, buyers within Missouri may not purchase above face value plus \$3. Tickets to other entertainment events in Missouri are not restricted by this rule.

**New Mexico**

State law permits the resale of tickets by New Mexico residents at no greater than face value for all college athletic events held in the state. For tickets to New Mexico college athletic events sold by non-New Mexico residents, buyers within New Mexico may not purchase above face value. The resale of tickets to other events held in New Mexico are not restricted by this rule.

**New York**

State law permits the resale of tickets by sellers in New York at no greater than face value plus \$5 or 20% per ticket (whichever is greater) for all entertainment events held in the state. For tickets to New York events sold by non-New York residents, buyers within New York may not purchase above face value plus \$5 or 20% per ticket.

**North Carolina**

State law permits the resale of tickets by North Carolina residents at no greater than face value plus \$3 per ticket for all entertainment events held in the state. For tickets to North Carolina events sold by non-North Carolina residents, buyers within North Carolina may not purchase above face

value plus \$3.

**Pennsylvania**

State law permits the resale of tickets by sellers in Pennsylvania at no greater than face value plus \$5 or 25%, (whichever is greater) for all entertainment events held in the state. For tickets to Pennsylvania events sold by non-Pennsylvania, buyers in Pennsylvania may not purchase above face value plus \$5 or 25% per ticket.

**Rhode Island**

State law permits the resale of tickets by Rhode Island sellers at no greater than face value plus \$3 per ticket or 10% of the ticketed price (whichever is greater) for all entertainment events held in the state. For tickets to Rhode Island events sold by non-Rhode Island sellers, buyers in Rhode Island may not purchase above face value plus \$3 or 10% per ticket.

**South Carolina**

State law permits the resale of tickets by South Carolina residents at no greater than face value plus \$1 for all athletic contests, sporting, entertainment and amusement events held in the state. For tickets to South Carolina events sold by non-South Carolina sellers, buyers in South Carolina may not purchase above face value plus \$1 per ticket.

**Canadian Provinces****Alberta**

Alberta law permits the resale of tickets at no greater than face value for all entertainment events held in Alberta, including events held in Calgary and Edmonton.

**Manitoba**

Manitoba law permits the resale of tickets at no greater than face value for all entertainment events held in Manitoba, including events held in Winnipeg.

**Ontario**

Ontario law permits the resale of tickets at no greater than face value for all entertainment events held in Ontario, including events held in Toronto, Windsor and Hamilton.

There is no specific PayPal policy on the selling of tickets to events in other states or countries. As always, users must ensure that their transaction complies with all applicable laws.

**Primary Ticket Sales**

You may use PayPal to sell primary sales tickets as they are exempt from our ticket resale policy. To qualify as a "primary sale" of an event ticket, the ticket must be sold by the artist, team, promoter or organizer of the event, and the seller must clearly and explicitly state in the website that the seller is authorized to first sale the tickets directly to the public.

**Ticket Packages**

You may use PayPal to sell ticket packages as they are exempt from PayPal's ticket resale policy. However, to qualify as a "ticket package," you must not offer the buyer an option to purchase the tickets alone and must include either:

1. At least one item or experience of substantial value related to the ticket event that the seller has coordinated with the event promoter, team, manager, artist, or venue, such as a backstage pass, a meeting with the performer, or an "experience" such as being a ball boy at a baseball game
  - A complete travel package around the event including BOTH air transportation to the event location and commercial lodging for a minimum of one night

If you offer tickets without these travel arrangements the product does not qualify as a ticket package.

#### **Additional Laws**

PayPal cannot give you legal advice on your ticket transactions, and there may be additional laws that apply to your transaction. As additions or changes are made to existing laws, PayPal may periodically amend the list above. As a ticket seller, you are responsible for ensuring that your particular transaction does not violate any applicable law or the terms on the ticket.

## **Faces, Names & Signatures Policy**

You may not sell an item containing the image, likeness, name, or signature of another person unless the product was made or authorized by that person.

#### **Examples**

The following items may not be sold or advertised on websites listed in PayPal Shops:

- A key chain bearing a picture of a rock star (even if you took the picture yourself at a concert)
- A scanned copy of an original picture of a baseball player where the original was signed by that player
- A mouse pad bearing a picture of a movie star
- A CD containing pictures of a singer taken from various sources on the Internet. Even if you had permission to download the pictures, you probably don't have the right to sell them for a profit
- A light switch cover bearing a musician's name

#### **Warning**

Sites listed in PayPal Shops violating PayPal's Faces, Names, & Signatures Policy may be removed. Multiple violations of PayPal's Faces, Names, & Signatures Policy could result in the suspension of your account.

#### **Related Acceptable Use Policies:**

Unauthorized Copies

## **PayPal's Fireworks Policy**

To sell fireworks or pyrotechnic devices through PayPal you must clearly follow all applicable laws and postal regulations. Merchants may be required to provide proof of compliance to continue using PayPal in their transactions since fireworks or pyrotechnic devices are heavily regulated or banned in most states, and postal regulations prohibit the transmission of these items via the postal system. Merchants who do not, or appear not to abide by all laws and postal regulations may have their account access limited.

Under California Health and Safety Code Section 12500-12534 (<http://www.leginfo.ca.gov/calaw.html>)

- **Fireworks include:** "any device containing chemical elements and chemical compounds capable of burning independently of the oxygen of the atmosphere and producing audible, visual, mechanical, or thermal effects which are useful as pyrotechnic devices or for entertainment."
- **Pyrotechnic devices include:** "any combination of materials, including pyrotechnic compositions, which, by the agency of fire, produce an audible, visual, mechanical or thermal effect designed and intended to be useful for industrial, agricultural, personal safety, or educational purposes."
- **Examples of fireworks and pyrotechnic devices include, but are not limited to:** fireworks and fireworks kits, aerial bombs, booby traps (pull string), bottle rockets, chasers, daygo bombs, firecrackers, fountains, nitro poppers, party poppers, roman candles, skyrockets, smoke balls, smoke bombs, snap caps, snappers, sparklers, sparks, and torpedoes.

Even if the above conditions are met, PayPal does not permit the advertisement or sale of Fireworks on websites listed in PayPal Shops.

#### **Related Acceptable Use Policies:**

Firearms, Weapons, and Knives Policy

## **Food Policy**

If you are using PayPal to sell food or food-related products please familiarize yourself with the related federal and state laws.

Federal and state laws require labels to state, among other things, the food's ingredients, nutritional information, and place of manufacture. Virtually all states require food manufacturers and sellers to register with or obtain a license from the state. There are also restrictions on the import and export of many food products. For more information about laws relating to food sales please visit:

- Gateway to Government Food Safety Information (<http://www.foodsafety.gov/>)
- FDA's Center for Food Safety & Applied Nutrition (<http://vm.cfsan.fda.gov/list.html>)
- USDA's Food Safety and Inspection Service (<http://www.fsis.usda.gov/>)
- National Food Processors Association (<http://www.nfpa-food.org/>)
- FDA Import Procedures (<http://vm.cfsan.fda.gov/~lrd/imports.html>)

#### **Perishable Items**

If you are selling perishable items you should clearly identify the steps that you will take to ensure that the goods are delivered to the buyer safely. For example, sellers of perishable goods should offer overnight delivery and ensure that the goods are properly packaged.

#### **Sealed Containers**

You may use PayPal to sell food if all food and related products are packaged or sealed to ensure that the buyer can identify evidence of possible tampering.

#### **Expiration Dates**

All items must be delivered to buyers prior to a clearly marked expiration or "use by" date.

#### **Prohibited Food Items**



You may not use PayPal to sell the following food or food-related products:

- Drugs, or items containing drugs, claiming to be used in the diagnosis, cure, mitigation, treatment, or prevention of disease in humans and/or animals (for example, misbranded dietary supplements)
- Non-pasteurized dairy products
- Fruit and vegetable juice products that have not been heat pasteurized
- Wild mushrooms

**Related Acceptable Use Policies:**

Alcoholic Beverages

## Freon and Other Refrigerants Policy

You may use PayPal to sell Freon if you clearly state on your website that you will comply with all applicable laws and ensure that your buyers are properly certified. The seller must require their buyer to provide proof of EPA certification as the law puts the burden of proof on the seller. Class 1 and Class 2 refrigerants, including products commonly known as Freon R-12 and Freon R-22, may be sold only to a buyer who is properly certified by an Environmental Protection Agency (EPA) approved testing program. A seller's failure to abide by the regulations can result in criminal penalties.

For more information about Freon-related products please review the EPA's website (<http://www.epa.gov>)

## Gambling Policy

You may not use PayPal to send or receive payments for any form of gambling activities, including but not limited to payment for wagers, gambling debts or gambling winnings, whether conducted online, in person or through any other means of communication. Gambling includes placing, accepting, recording, or registering bets, or otherwise carrying on a game of chance for money, property, or other thing of value. This prohibition includes all gambling operations, even if and where such activities do not constitute unlawful conduct.

Prohibited gambling activities include, but are not limited to:

- **Casino Games**, virtual or physical, including:
  - Baccarat
  - Blackjack
  - Craps
  - Faro
  - Keno
  - Pachinko
  - Pai Gow
  - Poker (whether or not it is considered a game of skill in the gambler's jurisdiction)
  - Roulette

- Sic Bo
- Slot machines
- Wheel of Fortune
- **Sports Books or Sports Betting**, including the placing of bets on actual sporting events against a book-maker or through a betting exchange.
- **Horse or Greyhound Racing**, including:
  - Simple betting (betting between individuals).
  - Sweepstakes betting, where large entry fees, or stakes, are pooled and awarded to winners.
  - Book-making betting, in which speculators offer odds against each horse and accept bets against their predictions.
  - Pari-mutuel betting, where betting odds on a given horse or dog are derived from a comparison between the total amount wagered on the animal and the total wagered on all the animals in the race.
  - Off Track Betting (“OTB”), where players bet on a race taking place in a location outside of where the bettor is situated, “simulcasting.”
- **Person-to-Person Betting**, including individual wagering and wagering through betting exchanges.
- **Certain “Games of Skill,”** where the elements of skill cannot conclusively be established to predominate over those of chance in determining the outcome. Operators of games of skill where the elements of skill are clearly predominant over those of chance can use PayPal to accept entry fees or similar payments only if they have in place a program to block users from U.S. states and other jurisdictions where it is illegal to operate a paid contest of skill.
- **Related Ventures**, such as:
  - Gambling services, such as handicapping, or providing gambling tips or instructions.
  - Intermediaries facilitating the process of placing bets or securing offshore gambling licenses.
  - Organized forums that facilitate person-to-person betting.

#### **Related Acceptable Use Policies:**

Lottery Tickets

Slot Machines

## **Games Software: Sony, Sega and Nintendo Policy**

According to Sony, Sega, and Nintendo, the following items are potentially infringing, putting both the seller and the buyer at risk:

#### **Backup and/or Unreleased Games**

You may not use PayPal to sell backup copies of software, including games software. Here are some ways to recognize backup copies:

- Games which require a mod chip or other special hardware to play. Backup copies, which cannot legally be sold separately, will require such hardware to play. Original games NEVER require mod chips to play
- Games referred to as "silver" or "gold" copies. Backup copies are frequently sold using these terms. Silver colored CDs are characteristic of mass-produced, potentially infringed copies, which are frequently produced outside of the US. These are sometimes called HK, Hong Kong, or import versions
- Multiple games on one CD, especially "choice" compilations. In most cases, manufacturers only offer one game per CD. If you are offered a choice of several games on one CD, these games could be backup copies

### **Pre-release, Promotional and/or Beta games**

You may not use PayPal to sell beta copies of software, including games software. Selling or buying games that have been acquired prior to the manufacturer's release to the public may be a copyright infringement.

### **Mod chips, Modified Game Consoles and Game Enhancers**

You may not use PayPal to sell any device capable of permitting the play of pirated and/or imported games on a domestic system. Examples of such devices include:

- Mod chips and/or game consoles that have a mod chip-type device installed
- Game enhancers (which enable the play of import software and/or back up versions of software)
- Boot discs

### **Game Copying Hardware/Software**

You may not use PayPal to sell hardware or software designed specifically to produce unauthorized copies of games.

### **Important Notes**

1. Encouraging the use of any device described in the above rules may be an infringement
2. You may still be liable even if you offer to sell your "time" and/or services and give away for "free" (rather than sell) a prohibited, questionable, or infringing item. This applies to both seller and buyer

### **Manufacturer-Related Policies**

Sony (<http://www.sony.com/>) :

Authentic games by Sony are always black on the bottom. Sony uses a proprietary technology that produces games with this unique design. If a Sony game is sold with a different color CD, it is a backup copy. (Note: Original import versions are fine, but they will not be the silver or gold variety). Devices that allow the play of import games on a domestic system are potentially infringing upon Sony's (SCEA) copyrights.

Nintendo (<http://www.nintendo.com/index.jsp>) :

- All Nintendo games are on cartridges and very few have been released with multiple games on one cartridge
  - Any version of a Nintendo game that is not on a cartridge is an infringing copy
  - Software emulators that play Nintendo games without Nintendo hardware are infringing items

- "ROM" is a tip-off term for infringing copies of Nintendo games (usually on CD or Disks)

Sega (<http://www.sega.com/index.jhtml>) :

The sale of imported Dreamcast software and hardware may infringe on Sega's copyrights and/or trademark. Sega sells these Asian versions outside of the US, and pursuant to 17 USC section 602, the subsequent importation and sale of these goods in the US (without Sega's permission) infringes upon Sega's copyrights.

Devices that allow the play of import games on a domestic system are infringing upon Sega's copyrights.

Read more information on piracy (<http://www.idsa.com/piracy.html>) .

#### **Related Acceptable Use Policies:**

Mod Chips

Unauthorized Copies

## **Government Identification, Uniforms, and Police-Related Items Policy**

### **GOVERNMENT IDENTIFICATION**

You may not use PayPal to sell any items that claim to be, or to look similar to, official government identification documents or licenses, such as birth certificates, driver's licenses or passports. Further, completed applications for such documents containing personal information may not be sold using PayPal.

#### **License Plates**

You may not use PayPal to sell current vehicle license plates, plates that claim to resemble current licenses, or government-vehicle license plates. Collectible vehicle license plates that are at least 10 years old are permissible.

#### **Vehicle Titles and Vehicle Title Stock**

You may use PayPal to sell or reference vehicle titles only when the title is accompanied by a functioning vehicle.

#### **Fraudulent Identification**

You may not use PayPal to sell any item that is used to alter identification documents, licenses, plates, or is used to create, design, or manufacture falsified identification cards.

### **UNIFORMS AND MANUALS**

You may not use PayPal to sell any article of clothing or identification relating to transportation security or employment with any transportation related industry, including but not limited to, articles of commercial airline pilot's uniforms, courier service uniforms, steward or stewardess uniforms, baggage or airport service uniforms, and mass transit train or subway related uniforms. You may sell vintage commercial airline, train, or subway clothing such as ties, scarves, jackets, and similar items, as long as the item is at least 10 years old, is no longer in use by the airline, and does not resemble any piece of the airline's current uniform.

You may not sell any official internal, non-public documents, manuals, or other materials related to mass commercial public transportation, including internal manuals put out by commercial airlines, or entities operating subways, trains, or buses.

### **POLICE AND LAW ENFORCEMENT-RELATED ITEMS**

You may not use PayPal to sell law enforcement badges or official law enforcement equipment from any public entity, including badges issued by the government of any country. This prohibition extends to badges and official equipment from any federal, state, or local law enforcement agency in the United States or abroad.

Federal agencies also prohibit any commercial reproduction of their name, seal or logo. Therefore, copies or reproductions of police badges are banned as such badges infringe upon the copyright and trademark rights of the agency that issued the badges.

For more information about the legal sale of official badges, identification cards, and other insignia, please refer to U.S. Code Title 18, section 701.

(<http://uscode.house.gov/uscode-cgi/fastweb.exe?getdoc+uscview+t17t20+443+0++%28%29%20%20AND%20%28%2818%29%20ADJ%20USC%29%3ACITE%20AND%20%28USC%20w%2F10%20%28701%29%29%3ACITE%20%20%20%20%20%20%20%20%20%20>)

## Hazardous, Restricted, and Perishable Items Policy

### Hazardous items

You may not use PayPal to sell any hazardous or dangerous goods or items that may pose a danger to health, safety, or property while being transported, such as explosives, radioactive materials, flammable gases and solids, and toxic substances that cannot be shipped through the mail or commercial carrier.

You may use PayPal to sell a few hazardous materials if they can be lawfully transported under certain conditions and if they are properly packaged and labeled. As a seller your site must contain a clear notice of the hazardous nature of the material, and a description of the planned method of shipping that complies with the law. For details on particular hazardous substances and transportation requirements in the US and internationally, look at the U.S. Postal Service Publication 52 (<http://www.usps.com/cpim/ftp/pubs/pub52.htm>) .

Examples of hazardous materials that cannot be sold using PayPal include antique fire extinguishers that contain carbon tetrachloride, including glass bulb fire extinguishers, and brass extinguishers with a "T" shaped handle.

### Postal Service restricted items

In general, items restricted by the U.S. Postal Service do not pose a danger to health, safety, or property while being transported, but their transport is regulated or banned for public policy reasons. Many restricted items such as alcohol, firearms, pets, drug paraphernalia, and lock picking devices cannot be sold under other PayPal Acceptable Use Policy rules.

Usually, USPS restricted items that may be lawfully transported by mail or common carrier are permitted on PayPal unless otherwise prohibited by PayPal Acceptable Use Policy rules. Examples of restricted items that may be listed include tropical fish, insects such as honeybees or ladybugs, and some knives. Get more information about the U.S. Postal Service's list of restricted items (<http://www.usps.com/cpim/ftp/pubs/pub52.htm>) .

### Perishable items

Perishables are items that can deteriorate or lose value under normal mailing conditions. If you're dealing in perishables, follow the appropriate postal regulations.

## Human Parts and Remains Policy

You may not use PayPal to sell humans, the human body, or any human body parts. Some examples of prohibited items include: organs, bone, blood, waste, sperm, and eggs. You may not include such items as a gift, prize, or giveaway in connection with any other product or item for sale using PayPal.

You may use PayPal to sell items that contain human hair (such as locketts), as well as skulls and skeletons that are used for educational purposes as long as the item is not of Native American origin. The sale of Native American skulls, bones or other grave related items may violate federal law. For more information about these federal laws

visit the sale of artifacts and the Native American Grave Protection and Repatriation Act (<http://www4.law.cornell.edu/uscode/25/3001.html>) (NAGPRA).

**Related Acceptable Use Policies:**

Animal and Wildlife Products

## Importation of Goods into the United States Policy

If you are importing goods into the United States from another country, either by selling or buying items, you are responsible for ensuring that the importation of those products comply with applicable U.S. laws before using PayPal to conduct your transaction. These laws are often complex, and issues will vary depending upon the item involved and the countries in which the buyer and seller reside.

Here are four reasons to check applicable laws before importing goods into the United States:

1. U.S. Customs could stop and seize your product at the U.S. border, and you could be fined or face other liabilities because of the seizure
2. You could face liability from the owners of trademarks, copyrights, or other rights associated with the item
3. You could face civil or criminal liability, depending upon the type of product involved
4. You could have your site removed from PayPal Shops and/or have your account suspended

PayPal strongly recommends that you carefully review the U.S. government's websites and other sources of information concerning importation of goods into the United States, and (if necessary) consult with an expert in this field before completing any transactions. The information and links below can provide some information about the regulations in this area.

**Goods that might be subject to import restrictions:****Copyrighted works**

The copyright owners of works in literature, music, movies, software, video games, and photos have certain rights under U.S. copyright law to prevent the importation of goods which were intended for distribution in another country. Importation of such products into the United States without permission may be an infringement even if the good is a genuine copy and legal to distribute in the other country.

**Trademarked (branded) items**

Under U.S. trademark law the owners of the trademarks on branded goods have certain rights that prevent the importation of goods which were intended for distribution in another country. Importation of such products into the United States, without written permission, may be an infringement even if the good is a genuine copy and legal to distribute in the other country.

**Patented items**

Under U.S. patent law the owners of the patents have certain rights to prevent the importation of goods which employ technology protected by a U.S. patent. Importation of such products into the United States without permission may be an infringement even if the good is a genuine copy and legal to distribute in the other country.

**Examples of Potentially Infringing Imports:**

- Music CDs intended for distribution in the United Kingdom (even if they are genuine copies)

- Videos intended for distribution in Canada (even if they are genuine copies)
- The Japanese version of a video game player or video game software not originally intended for use in the United States. Note that the offering of "mod chips," "emulators" or other devices intended to enable the use of unauthorized imports may also violate copyright laws
- A computer hard drive that uses processes or technology patented by someone in the United States
- A t-shirt with a logo that was authorized for use abroad
- A Pokemon ® toy that was intended for sale in Japan only

**For more information:**

U.S. Copyright Law on Importation (<http://www4.law.cornell.edu/uscode/17/602.html>)

U.S. Trademark Law on Importation (<http://www4.law.cornell.edu/uscode/15/1124.html>)

U.S. Patent Law on Importation (<http://www4.law.cornell.edu/uscode/19/1337.html>)

U.S. Department of Commerce International Trade Commission- Import Administration (<http://ia.ita.doc.gov/>)

## Industrial Solvents

Industrial solvents may be sold only in compliance with EPA regulations. Industrial solvents may not be sold in a manner promoting or facilitating their use in the manufacture of pharmaceuticals.

## International Trading - Buyers Policy

Importing items into the United States can be a challenge as each country and purchase is different, but there are some key issues to consider before trading internationally. As a start, U.S. buyers should keep three points in mind.

### Items under \$200

In general, you should not have problems importing items valued under \$200. Some items may be prohibited from import like narcotics, tainted food or child pornography, while others like alcohol, tobacco, firearms, are restricted. These items are usually banned from being sold through PayPal anyway. You may need licenses or special permits for items like plants, food, automobiles, and certain cultural items. If you're buying these items explore information on the U.S. government websites below for more information before you buy.

- Specific information about importing food and plants can be found in Traveler's Tips (<http://www.aphis.usda.gov/travel/bring.html>) provided by the U.S. Department of Agriculture
- Read about laws and special issues involving the importation of cultural items (<http://exchanges.state.gov/culprop/>)
- General information about automobiles and other restricted items (<http://www.cbp.gov/xp/cgov/travel/leavingarrivinginUS/automobiles.xml>)

### Items over \$200 - personal use

You may have to pay a duty, or tax, on any items you import for personal use valued over \$200. The amount of the duty depends on the type of item and its value. Some items can be imported without paying any duty at all. The U.S. Customs Service has designed a site to inform Internet buyers about duty rates and the mechanics of importing ([http://www.customs.gov/xp/cgov/import/duty\\_rates/determining.xml](http://www.customs.gov/xp/cgov/import/duty_rates/determining.xml)) .



**Items for commercial use**

If you're importing goods for a commercial purpose you may have to deal with quotas, duty, and paperwork. Commercial goods (goods intended for resale) may have special entry requirements. Make sure that you're complying with the law - it can be complicated. For more information start with the U.S. Customs website (<http://www.customs.gov/>) , or contact your local Customs office.

## **International Trading - Sellers Policy**

If you plan on selling internationally you need to ensure that your transactions will not violate laws that may govern such sales. These laws are complex and issues will vary depending upon the item involved and the countries where the buyer and seller reside.

Generally, you won't encounter difficulties occasionally shipping small dollar value items to buyers in most countries and in many cases, the mailing service you use to send the item (such as the U.S. Postal Service or UPS) can help you fill out the necessary paperwork. Certain types of items, however, can cause unexpected problems in some countries and some planning can avoid unexpected problems even with simple transactions.

**Ensure legal compliance in both countries**

PayPal insists that your transactions comply with the laws of the countries where both the seller and buyer reside. We can't give you legal advice about your particular transaction, but users are responsible for ensuring that their transactions are lawful in both countries. To avoid potential legal difficulties, be informed about all applicable laws of the countries where you plan to do business.

**Item must comply with export laws**

The export of certain items may require special licenses or may be banned altogether. Make sure that the item you're selling can be lawfully shipped outside of the country where you live. For example, the export of some computer equipment from the United States is highly regulated and may be restricted or banned even if the computer may not be particularly "high performance" by U.S. standards. To ensure that the items you want to sell are not covered by these regulations, U.S. sellers should begin by reviewing:

- Export control basics (<http://www.bxa.doc.gov/licensing/exportingbasics.htm>)
- Export control Frequently Asked Questions (<http://www.bxa.doc.gov/licensing/ExporterFAQ.html>)
- Computers (<http://www.bxa.doc.gov/HPCs/>)
- Commercial encryption (<http://www.bxa.doc.gov/encryption/>)
- Automobiles (<http://www.cbp.gov/xp/cgov/travel/leavingarrivinginUS/automobiles.xml>)
- Things to look for (<http://www.bxa.doc.gov/enforcement/>)

**Prohibited countries and embargoes**

You may not use PayPal to do business or conduct transactions with persons from certain countries. Since PayPal is a U.S. company, all users must respect the U.S. rules in this area when doing business through PayPal.

Check the list of banned countries and persons .

**Item must comply with import laws**

Before sending an item make sure you can lawfully import the item into the buyer's country. Each country has different laws that limit the types of goods that can be imported. For example, the buyer's country might have restrictions on foods, plants, clothing, luggage or even books that might result in the seizure and destruction of the item,

which in turn leaves one unhappy customer. Please discuss possible import problems with the buyer and do your own research to avoid a problem.

Visit the World Customs Organization (<http://www.wcoomd.org/ie/index.html>) or the country's embassy in the U.S. for more information about particular customs regulations.

### **High value and volume transactions**

If you plan to do substantial business with customers in other countries, or if you're dealing in higher dollar or highly regulated items, you should do careful research, and hire an expert if necessary to make sure that your transaction complies with all applicable laws. There is often paperwork that you must fill out in completing these transactions. The U.S. government has a number of resources to promote international trade and to help businesses of all sizes familiarize with export regulations. Some shipping companies may also offer special services to businesses that regularly ship goods overseas. Information about these resources can be found at:

International Trade Administration (<http://www.ita.doc.gov/>)

Trade Information Center (<http://www.trade.gov/td/tic/>)

Small Business Administration - Office of International Trade (<http://www.sbaonline.sba.gov/OIT/>)

## **Lock-Picking Devices Policy**

You may not use PayPal to sell lock-picking devices. Federal law prohibits the mailing of lock-picking devices. For more information, visit the Legal Information Institute's U.S. Code Collection:

- Sec. 3002a (<http://www4.law.cornell.edu/uscode/39/3002a.html>) - Nonmailability of locksmithing devices
- Sec. 1716A (<http://www4.law.cornell.edu/uscode/18/1716A.html>) - Nonmailable locksmithing devices and motor vehicle master keys

### **PayPal policy**

You may not use PayPal to sell any lock-picking or locksmith device such as lock picks, lock-picking sets, lock-picking cards, tension bars, lock-picking guns, autolock bypass keys ("jigglers"), try-out keys, "slim-jims," tubular lock picks, digital decoders, and code grabbing devices. This includes key cutters or similar duplication devices designed for making an impression of a key or other item.

## **Lottery Tickets Policy**

You may not use PayPal to buy or sell tickets, vouchers, or any other "opportunity" to participate in a lottery or any other game of chance, whether privately-run or administered by a state. This includes, but is not limited to, raffles, drawings, sweepstakes, pools, or any other form of game/contest involving the distribution of prizes or monetary compensation.

## **Mailing Lists and Personal Information Policy**

You may not use PayPal to sell tools or software designed predominantly to send unsolicited commercial email (UCE or "spam"), unsolicited mail, or unsolicited contact of any kind. The sale of lists of e-mail addresses or of tools to "harvest" e-mail addresses is also not permitted.

Additionally, PayPal requires users selling items that may show personal information of third parties, such as customer lists in the sale of a business, to abide by all applicable laws regarding the collection and distribution of such information.

**Related Acceptable Use Policies:**

Government IDs and Licenses

## Malls Policy

Online malls, or any website devoted to directing visitors to other websites, are not allowed to join PayPal Shops. Malls can accept PayPal outside of PayPal Shops as long as they remain in compliance with all PayPal's entire Acceptable Use Policy.

## Mature Audiences Policy

You may not use PayPal in the purchase or sale of, or receipt of donations for, any obscene or sexually oriented goods or services.

In determining what goods or services are prohibited under the Mature Audiences Policy, PayPal will consider some or all of the following factors:

- Whether the work depicts or describes, in a patently offensive way, sexual conduct.
- Representations or descriptions of intercourse, masturbation, excretory functions, or lewd exhibition of the genitals.
- Dominant theme of the material or website.
- Literary, artistic, political, or scientific value.
- Safety and protection of its customers, both buyers and sellers.
- Medical or educational usage of the product or service.

Any sexually oriented goods or services involving minors, or made to appear to involve minors, will automatically be treated as violations of the Mature Audiences Policy.

PayPal will not include sexual preferences or viewpoints as a factor in determining what goods or services are prohibited under the Mature Audiences Policy.

## Medical Devices Policy

PayPal requires sellers to comply with all laws applicable to the sales of professional medical equipment. In addition, sellers must verify the purchaser is an authorized buyer of this item before delivery.

Sellers who have questions about legal obligations regarding sales of medical devices should consult with the FDA's Center for Devices and Radiological Health ( Device Advice (<http://www.fda.gov/cdrh/devadvice/>) or Industry Support (<http://www.fda.gov/cdrh/industry/support/index.html>) ; phone: 800.638.2041; email (<mailto:dsmica@cdrh.fda.gov>) ).

Sellers must clean and handle all medical devices in accordance with the manufacturer's instructions before shipping. Sellers may not list any medical device that has been altered in any way that significantly changes the product's performance or safety specifications.

Sellers must clearly inform potential buyers if the device has been opened or used.

In addition, users should review the product manufacturer's website to obtain the latest information about any health or safety issues relating to that product before selling or buying any used medical device. For more information on

buying and selling medical devices visit the Center for Devices and Radiological Health (<http://www.fda.gov/cdrh/consumer/buyingmeddevonline.html>) .

**Related Acceptable Use Policies:**

Prescription Drugs and Devices

## Mod Chips Policy

Mod chips, game enhancers, and boot discs are devices that enable domestic video game consoles to play backup or import versions of video games.

**PayPal Policy:**

You may not use PayPal to sell devices that enable the play of backup or import versions of video games (including mod chips, game enhancers, and boot discs).

**Guideline:**

You may not use PayPal to advertise or encourage the use of devices that enable domestic game consoles to play backup and imported games.

If your site offers mod chips, game enhancers, or boot discs it may be removed from PayPal Shops. Multiple violations of PayPal's mod chip, game enhancers, and boot disc policy could result in the suspension of your account.

**Related Acceptable Use Policies:**

Unauthorized Copies

## Money Service Businesses

In accordance with state, federal, and international law, all Money Service Businesses (MSBs) that utilize PayPal for transactions are required to receive authorization from PayPal before conducting such business. PayPal requires pre-approval to ensure the safety of PayPal users and the MSB's compliance with the regulatory and licensing requirements that apply to this industry. More information regarding regulation of MSBs can be found at (<http://www.msb.gov>) .

PayPal defines "Money Service Business" in accordance with Title 31 of the Code of Federal Regulations (31 CFR Ch. 1 § 103.15(uu)). Thus, any of the following types of businesses must obtain prior authorization before using PayPal services:

- **Money Transmitters** , defined as any person who engages as a business in accepting currency, or funds denominated in currency, and transmits the currency or funds, or the value of the currency or funds by any means.
- **Issuers or Sellers Of Traveler's Checks, Money Orders, or Stored Value** , where "stored value" is defined as first-party issuance and sale of funds or monetary value represented in digital electronic format and stored or capable of storage on electronic media in such a way as to be retrievable and transferable electronically.

In addition, PayPal may not be used to operate a currency exchange, bureau de change or check cashing business

If you or your business requires MSB approval, please send contact information and a brief business summary to (<mailto:>) .

**Related Acceptable Use Policies:**

Stored Value Cards

## OEM Software Policy

**PayPal rule:**

You may not use PayPal to sell "OEM" or "bundled" copies of software unless you are selling it with computer hardware.

**Definition**

Original Equipment Manufacturer (OEM), or bundled software, is software that is obtained as part of the purchase of a new computer. OEM software licenses usually prohibit the purchaser from reselling the software without the computer or, in some cases, without any computer hardware.

If you are trying to sell OEM copies of software your site may be removed from PayPal Shops. Multiple violations of PayPal's OEM Software policy could result in the suspension of your account.

**Related Acceptable Use Policies:**

Academic Software

Unauthorized Copies

## Offensive Material Policy

You may not use PayPal in the purchase or sale of items or support of organizations that promote hate, violence, or racial intolerance. PayPal also prohibits a person convicted of a violent felony, or his or her relatives or associates, from using PayPal to benefit financially from the convicted criminal's notoriety or crime.

In determining what goods or services are prohibited under the Offensive Material Policy, PayPal will consider some or all of the following factors:

- Promotion or glorification of hate, violence, or racial intolerance
- Graphic portrayal of violence or victims of violence
- History of user activity
- Financial exploitation of a crime

Furthermore, such organizations outlined above may not be listed in PayPal Shops, nor may any website listed in PayPal Shops advertise or support such organizations.

**Related Acceptable Use Policies:**

Mature Audiences Policy

## Pesticides Policy

The following rules govern all items sold using PayPal as well as all items listed on websites listed in PayPal Shops.

The United States Environmental Protection Agency (EPA) regulates the sale, distribution, and use of pesticides and pesticide products under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) (7 U.S.C. sec. 136 to 136x).

You may not use PayPal to sell any pesticide container or product that is against the law to sell, is unregistered, or

misbranded. In general, it also is illegal to sell suspended or canceled pesticides. If you try to sell a pesticide product or container through PayPal that is mislabeled, not registered with the EPA, or no longer registered with the EPA, you could be breaking the law and subject to criminal or civil penalties, including fines. You may not use PayPal to sell or advertise products that claim to be alternatives to traditional pesticides such as Chinese or Insecticidal Chalk as they are pesticides that require registration with EPA.

**What is a pesticide?**

- Information on common household and garden pesticides ([http://www.epa.gov/pesticides/factsheets/alpha\\_fs.htm](http://www.epa.gov/pesticides/factsheets/alpha_fs.htm))
- EPA's role in registering pesticides (<http://www.epa.gov/pesticides/regulating/registering/index.htm>)
- EPA's Pesticides Database (<http://www.cdpr.ca.gov/docs/epa/epamenu.htm>)

**PayPal policy on the sale of pesticides products and containers****General Policy: Pesticide Products**

PayPal permits the sale of pesticide products only if:

- The container and/or original packaging is unopened
  - The pesticide is registered by US EPA (Note: Some states have additional requirements on both the seller and pesticide product)
  - The pesticide is properly labeled
  - The pesticide is not restricted, suspended, or canceled
  - The seller verifies that the container may be shipped in accordance with postal regulations

It is the seller's responsibility to ensure that the pesticide is registered and labeled according to federal and state standards before offering it for sale. However, the buyer should verify the information provided by the seller before completing the sale.

Prior to 1970, pesticide products were registered by the United States Department of Agriculture (USDA) and may or may not bear a USDA registration number. These products may be sold as collectible containers only.

All sellers must clearly state that they will comply with all applicable federal and state laws and regulations as well as ensure that the buyer satisfies all applicable regulations.

**General Policy: Collectible Pesticide Containers and Devices**

You may use PayPal to sell collectible pesticide containers or devices if the container or device is empty and rinsed, and the seller clearly includes this information on their site. It is the seller's responsibility to ensure that the pesticide container or device is empty and rinsed before offering it for sale. However, the buyer should verify the information provided by the seller before completing the sale.

Contact your local or state environmental division or office of agriculture for instructions on safe disposal of pesticides before you sell the container or device. Several states have created programs to collect and dispose of pesticides in a safe and simple way at little or no cost to the participants. The EPA has created a special About Me page to educate you about the law governing pesticide products and container sales, distribution, and use. Please review the pesticide factsheet (<http://www.cdpr.ca.gov/docs/factshts/factmenu.htm>) before selling any pesticide-related products.

## Telephone Cards Policy

In general, you may not use PayPal to sell telephone cards. In special circumstances PayPal may be used for billing and collection of recurring telephone service invoices. Please contact PayPal at [tbd@paypal.com](mailto:tbd@paypal.com) (<mailto:tbd@paypal.com>) if you are interested in using PayPal to sell such services.

## Plants and Seeds Policy

Some federal, state, and local laws prohibit the sale of certain types of plants or seeds that are considered "exotic" or "noxious" weeds. The United States Department of Agriculture prohibits the importation and interstate movement ([http://a257.g.akamaitech.net/7/257/2422/12feb20041500/edocket.access.gpo.gov/cfr\\_2004/janqtr/7cfr360.300.htm](http://a257.g.akamaitech.net/7/257/2422/12feb20041500/edocket.access.gpo.gov/cfr_2004/janqtr/7cfr360.300.htm)) of federally defined noxious weeds ([http://a257.g.akamaitech.net/7/257/2422/12feb20041500/edocket.access.gpo.gov/cfr\\_2004/janqtr/7cfr360.200.htm](http://a257.g.akamaitech.net/7/257/2422/12feb20041500/edocket.access.gpo.gov/cfr_2004/janqtr/7cfr360.200.htm)) and seeds ([http://a257.g.akamaitech.net/7/257/2422/14mar20010800/edocket.access.gpo.gov/cfr\\_2001/janqtr/7cfr361.6.htm](http://a257.g.akamaitech.net/7/257/2422/14mar20010800/edocket.access.gpo.gov/cfr_2001/janqtr/7cfr361.6.htm)) . Buyers and sellers of plants or seeds should review the list of prohibited noxious weeds and seeds, the state-by-state list of regulated noxious weeds (<http://www.aphis.usda.gov/npb/statenw.html>) , and consult with state and local authorities to determine whether the items they are considering buying or selling are legal in their state.

Many state laws limit the time period after packaging or germination testing within which agricultural or vegetable seeds may be sold. Sellers should clearly state the dates of packaging and germination testing if it's listed on the packing of the seeds. Buyers and sellers of packaged seeds should consult with state and local authorities to determine whether the items they are considering buying or selling are lawful for distribution in their states.

### Related Acceptable Use Policies:

Illegal Drugs and Paraphernalia

## Postage Meter Policy

You may not use PayPal to sell postage meters since the sale by unauthorized dealers violates United States Postal Service Regulations.

Postage meters are devices used to print postage labels and are only available by lease from authorized manufacturers. When pre-paid postage expires, the meter must be taken to the licensing post office to be reset with additional postage. Avoiding the payment of postage by misusing a meter is punishable by law.

## Precious Metals Policy

Under the Bank Secrecy Act, dealers in precious metals are considered financial institutions and must adopt an anti money laundering program and comply with all appropriate laws and regulations. Dealers of precious metals must pre-register with PayPal and verify their knowledge and compliance with these laws.

## Stored Value Cards Policy

First-party issuance and sale of pre-paid debit and stored value cards is addressed in the "Money Service Businesses" Policy. PayPal defines "stored value cards" as funds or monetary value represented in digital electronic format and stored or capable of storage on electronic media in such a way as to be retrievable and transferable electronically.

You may not use PayPal to resell pre-paid debit or other stored value cards, unless they are associated with a single vendor. "Single vendor " is defined as any stored value card that can only be redeemed through purchases at one retailer. Examples: a gift certificate to a local retailer, a gift card to a department store that has locations throughout the country.



**Related Acceptable Use Policies:**

Money Service Businesses

## Pre-Selling Products Policy

You may not use PayPal to sell "pre-sale" items. Pre-sale items are items advertised for sale before the seller has control or possession of the items. These generally consist of items that are sold prior to the item's availability to the general public, or that are sold by the seller with the intention of using the payment to go out and purchase the item being sold.

PayPal does permit pre-sales on a limited basis, as long as the seller guarantees and reasonably expects that the item will be shipped within 20 days from the date of purchase, and that he clearly inform the buyer that the item is a pre-sale item.

Such a policy ensures that buyers can pay for an item and still have the option to use PayPal's Buyer Complaint process in the event there is a problem with the transaction.

**Additional Requirements for Seller Protection Policy**

Sellers wishing to take advantage of PayPal's Seller Protection Policy must ship within 7 days of the sale as well as comply with the other terms of that Policy.

**Additional Requirements for Computer Pre-Sale Items:**

Sellers who regularly deliver computers 20 days after the date of payment may not use PayPal. Merchants who sell routers, desktop computers, or laptop computers are subject to additional delivery limitations and verifications. Shipment of computers between 7 and 20 business days after the date of payment is permitted only if the item is being shipped directly by the seller or the manufacturer, and not a third party. For verification purposes, new computer merchants and computer merchants who advertise delivery beyond 7 days must be prepared to submit the following information to PayPal:

1. Proof of ownership of the items sold.
2. Social Security number or business Employer ID number.

## Prescription Drugs and Devices Policy

Effective 2004-OCT-1, in order to use PayPal in the sale of prescription drugs, merchants must first obtain Verified Internet Pharmacy Practice Sites (VIPPS) certification through the National Association of Boards of Pharmacy (NABP). To achieve VIPPS accreditation, a pharmacy practice site must comply with the licensing and inspection requirements of the states in which it does business, and must demonstrate to NABP compliance with VIPPS criteria including patient rights to privacy, authentication and security of prescription orders, maintenance of a quality assurance and improvement program, and provision of meaningful consultation between patients and pharmacists. Additional information regarding VIPPS certification can be obtained through the NABP website at <http://www.nabp.net/vipps/intro.asp>. (<http://www.nabp.net/vipps/intro.asp>) PayPal reserves the right to close or permanently limit any account found in violation of this policy.

In order to maintain NABP standards in the disbursement of prescription drugs, you may not use PayPal to buy or sell contacts, referrals, or lists to pharmaceutical websites where prescription drugs can be obtained without a prescription, or to otherwise facilitate the procurement of prescription drugs outside VIPPS or FDA guidelines.

**Controlled Substances**

"Controlled substances" are defined as any drug or other substance, or immediate precursor, included in Schedules I, II, III, IV, or V of the United States Code Controlled Substances Act (21 U.S.C. §801 et seq.). PayPal requires

VIPPS certification for any merchant engaged in the sale of drugs delineated in Schedules II, III, IV, V of the above Act. However, even VIPPS-certified merchants may not use PayPal in the sale of Schedule I drugs. These substances are illegal for possession or distribution and have no recognized medical use. Schedule I drugs are addressed under PayPal's Drugs and Drug Paraphernalia Policy.

### **Importation of Prescription Drugs**

Due to the complexities of current laws regulating the importation of controlled drugs into the United States, you may not use PayPal to sell prescription drugs that are imported into the United States from an international location.

### **Recalled Drugs**

You may not use PayPal in the sale of any drugs that have been recalled, either on a firm's own initiative, by FDA request, or by FDA order under statutory authority. This includes all Class I, II, and III recalls, as well as all Medical Device Notifications, Market Withdrawals, and Safety Alerts. For more information on recalled drugs and products, please see the FDA's website at <http://www.fda.gov/opacom/Enforce.html> (<http://www.fda.gov/opacom/Enforce.html>) or <http://www.fda.gov/opacom/7alerts.html> (<http://www.fda.gov/opacom/7alerts.html>)

### **Unapproved Drugs**

The United States Federal Food, Drug, and Cosmetic Act prohibits the interstate shipment (including importation) of unapproved new drugs. Thus, PayPal prohibits the sale of drugs that lack FDA approval, whether for personal or other use. Unapproved new drugs are defined as any drugs, including foreign-made versions of U.S. approved drugs, which have not been manufactured in accordance with and pursuant to an FDA approval.

### **Dietary Supplements**

You may not use PayPal in the sale of any dietary supplements banned by the U.S. Food and Drug Administration (FDA) or on the FDA's Alerts list. The FDA's Alerts list and additional information regarding dietary supplements regulated by the FDA can be found at <http://www.cfsan.fda.gov/~dms/ds-warn.html> (<http://www.cfsan.fda.gov/~dms/ds-warn.html>)

Additionally, PayPal prohibits the sale of a product sold as a dietary supplement and promoted on its label or in its labeling as a treatment, prevention, or cure for a specific disease or condition, as such sales are considered unapproved, and thus illegal, by the FDA. Included in the category of "dietary supplements" are: vitamins, minerals, herbs or other botanicals, amino acids, and substances such as enzymes, organ tissues, glandulars, and metabolites. Dietary supplements can also be extracts or concentrates, and may be found in many forms such as tablets, capsules, softgels, gelcaps, liquids, or powders.

### **Prescription Devices**

The sale of prescription devices, as defined by 21 U.S.C. § 801.109, must comply with FDA guidelines in all respects, including labeling, reporting, registration, and method of application. Adherence to FDA directives applies regardless of the Class of device (I, II, or III) offered for sale. More information on prescription devices can be found through the Center for Devices and Radiological Health (CDRH) section on the FDA's website at <http://www.fda.gov/cdrh/index.html>. (<http://www.fda.gov/cdrh/index.html>)

### **Veterinary Drugs and Products**

The Food and Drug Administration's Center for Veterinary Medicine (CVM) regulates the manufacture and distribution of food additives and drugs administered to animals. Only those products and substances approved by the FDA for use in animals may be sold using PayPal. More information regarding veterinary products can be obtained in the FDA's Green Book, available online at <http://dil.vetmed.vt.edu/NadaFirst/NADA.cfm>. (<http://dil.vetmed.vt.edu/NadaFirst/NADA.cfm>)

In addition to the above requirements, PayPal reserves the right to prohibit those sales of prescription drugs or devices deemed inappropriate by PayPal in consideration of consumer safety, as identified from time to time in this Prescription Drugs and Devices Policy.

## Privacy Policy

The Privacy Policy below governs your PayPal account and any information you provide on this site. If you apply for a PayPal VISA® credit card, you authorize PayPal and Provident National Bank (which is the issuer of the PayPal VISA card) to exchange the information you provide in the application form. If you are approved for a PayPal VISA credit card, your credit card account will be governed by the Provident Privacy Policy (<https://www.paypalcreditcard.com/providentpolicy>).

In order to operate the PayPal service and to reduce the risk of fraud, PayPal Corp. ("PayPal" or "we") must ask you to provide us information about yourself and your credit card and/or bank account. This Privacy Policy describes the information we collect and how we use that information. PayPal takes the privacy of your personal information very seriously and will use your information only in accordance with the terms of this Privacy Policy. We will not sell or rent your personally identifiable information or a list of our customers to third parties. However, as described in more detail in Part C below, there are limited circumstances in which some of your information will be shared with third parties, under strict restrictions, so it is important for you to review this Privacy Policy. This Privacy Policy applies to all services that are hosted on the PayPal.com Web site, whether the services are offered by PayPal, by its subsidiaries, or by the PayPal Money Market Fund.

In order to operate the PayPal service and to reduce the risk of fraud, PayPal Corp. ("PayPal" or "we") must ask you to provide us information about yourself and your credit card and/or bank account. This Privacy Policy describes the information we collect and how we use that information. PayPal takes the privacy of your personal information very seriously and will use your information only in accordance with the terms of this Privacy Policy. We will not sell or rent your personally identifiable information or a list of our customers to third parties. However, as described in more detail in Part C below, there are limited circumstances in which some of your information will be shared with third parties, under strict restrictions, so it is important for you to review this Privacy Policy. This Privacy Policy applies to all services that are hosted on the PayPal.com Web site, whether the services are offered by PayPal, by its subsidiaries, or by the PayPal Money Market Fund.

1. The WAX service is provided by PayPal (Europe) Ltd (PayPal) which is authorised and regulated by the Financial Services Authority in the United Kingdom (FSA) as an Electronic Money Institution (ELMI).

2. When you use your credit or debit card to purchase goods or services from an on-line merchant via WAX, a sum of electronic money equivalent to the amount of the purchase you are making is issued by PayPal and credited to the merchant's PayPal account as payment for the goods or services you are purchasing from him. Your credit or debit card is therefore being used for the purchase of an amount of e-money which is in turn being used as payment for the goods or services from the merchant. Your credit or debit card statement will therefore show PayPal as the merchant and not the merchant from whom you are purchasing the goods or services.

3. PayPal will not open a PayPal account for you when you use your credit or debit card with WAX. Your use of the PayPal system via WAX is a one-off transaction only. However, PayPal will retain the information you provide us in relation to your use of WAX in accordance with our Privacy Policy in order to (1) enable you to use WAX for further one-off transactions subject to paragraph 4, (2) to enable us to monitor the use of WAX for risk management purposes and (3) to make it easier for you to open a PayPal account in the future.

4. You will only be able to use PayPal via WAX for up to [10] transactions before we will require you to open a PayPal account with PPEL to enable further use of the PayPal system. At that point you will be required to enter into our standard user agreement to govern the ongoing relationship with PayPal.

5. You should note that your use of WAX does not entitle you to the usual benefits of having a PayPal account. You will not be eligible to take advantage of our Buyer Complaint Policy or any other policies incorporated into the user agreement which we offer to give you protection. You may have additional rights through your agreement with your credit or debit card issuer.

## Promotional Items Policy

Some companies distribute so-called "promotional copies" of movies or musical works for publicity purposes before their release to the general public. Record companies often distribute "promo" CDs to radio stations to encourage

airplay of their music. Movie and television studios often distribute "demo" videos to video stores so they can decide how many copies of a particular video title they want to buy, "screener" or "awards" videos to Academy Awards or Emmy Awards voters, 35mm movie trailers (previews) to movie theaters, posters, and electronic press kits (EPKs).

You may use PayPal to sell promotional items but you should be aware that many rights owners take the position that doing so is a copyright infringement. If a copyright owner reports your item as an infringement on their rights, it may result in the removal of your site from PayPal Shops and the restriction of your account.

If you have questions regarding the sale of promotional items, contact the relevant company to see if your items can be sold or bought without risk of infringement. You might also want to contact the Recording Industry Association of America or the Motion Picture Association of America for more information.

#### **Related Acceptable Use Policies:**

Unauthorized Copies

## **Real Estate Policy**

PayPal requires any seller of real estate to abide fully with local or any other real estate licensing requirements and laws. Since real estate licensing requirements vary by state, sellers of real estate should be familiar with local restrictions. Failure to comply constitutes grounds for termination of the PayPal account.

## **Recalled Items Policy**

The U.S. Consumer Products Safety Commission (CPSC), an independent federal regulatory agency, issues warnings and recalls about potentially hazardous goods and products. Items that are the subject of a CPSC or National Highway Traffic Safety Administration (NHTSA) recall may not be sold using PayPal. Some items that have been the subject of CPSC action include lawn darts, baby products (such as defective cribs, infant carriers, and car seats), and propane heaters.

#### **PayPal does not permit the sale of recalled items.**

If you're using PayPal to sell, check with the CPSC (<http://www.cpsc.gov/>) and ensure that the products you're selling have not been the subjects of a CPSC recall. If you're a buyer, research recalled products in areas that you might do some buying. The CPSC website is loaded with helpful safety tips and a searchable database of recalled products.

Also consider consulting the NHTSA's website (<http://www.nhtsa.dot.gov/>) for information about recalled motor vehicles, child safety seats, vehicle equipment, and tires.

## **Multi-level Marketing, Pyramid and Matrix Programs**

You may not use PayPal to send or receive payments for any form of multi-level marketing programs (including online payment randomizers), as well as matrix, pyramid and Ponzi schemes, "get rich quick" scheme, or other similar ventures.

**Multi-Level Marketing** Multi-level marketing plans, also known as "network" or "matrix" marketing, include any business in which a person receives proceeds from his or her own sales of goods or services, of recruited members, or any combination thereof. Similarly, PayPal prohibits as a Multi-Level Marketing plan any business in which payouts occur at two or more levels (both by the individual who actually sold the product as well as by the person(s) "upline" that recruited the selling individual).

**Pyramid Schemes** Pyramid schemes, including Gifting Clubs and Ponzi schemes, involve the exchange of money in relation to the process of enrolling other people into the scheme. PayPal includes in its definition of "pyramid schemes" any system in which a hierarchy is created by people joining under others who joined previously, and in which those who join make payments to those above them in the hierarchy ("upline"). Pyramid schemes are prohib-

ited as a form of investment fraud by federal laws and by the laws of each of the fifty individual states. PayPal considers online payment randomizers to be a type of pyramid scheme because the majority of commissions are paid for recruitment of new members, and typically operate by random placement within the program.

**Matrix Programs** PayPal prohibits as a "matrix program" any business model that involves the exchange of money primarily for the purpose of being added to a waiting list for a product. In these instances, the individual at the top of the list receives the product only after a set number of people have joined below him or her.

**"Get Rich Quick" And Other Related Businesses** Get Rich Quick schemes include any type of self-employment, start-up businesses, or investment opportunity where the claims of profit or returns on investment are unrealistic or unsupported. By law, if a business opportunity costs \$500 USD or more, the promoter is required to support any claims regarding earnings or profits with written documentation.

In determining whether a website or account violates our Pyramid, Multi Level Marketing, and Get Rich Quick Schemes Policy, PayPal will consider some or all of the following factors:

- Offering commissions to recruit new members
- Requiring new distributors to purchase costly inventory or "start-up kits"
- Members' profits are derived from recruiting new members or from the sales of newly-recruited members ("downline"), rather than their own sales
- Unrealistic or unsupported promises regarding profits/return on investment
- Percentage of the company's goods sold by non-distributor
- Businesses warned against by the Better Business Bureau, state Attorney General, Federal Trade Commission (FTC), or any state or federal agency
- Flow of money derived from new members predominantly moves "upline"
- Preservation of the business rests on the exponential growth of new members or customers

## Satellite and Cable TV Descramblers Policy

You may not use PayPal to sell items that can be used to descramble or facilitate access to cable or satellite television programming without authorization or payment. Stating the item is for educational or test purposes will not legitimize a product that is otherwise inappropriate. In addition, you may not sell or advertise information on "how to" descramble or gain access to cable or satellite television programming without authorization or payment.

**Some examples of items which are not allowed include:**

- Smart Card Programmers and Unloopers
- Programmed Smart Cards
- Blocker Devices
- Hardware or Software DSS Emulators
- Program scripts for smart cards
  - Individual smart cards or bulk smart card sales, including H, HU, and P4 cards

This is not an exclusive list and sellers will need to take steps to ensure their product is lawful and does not infringe

upon the copyright, trademark or other intellectual property rights of third parties.

## Slot Machine Policy

The sale or ownership of coin-operated slot machines is regulated or forbidden in a number of states, even for personal in-home use. As a result, you may not use PayPal to sell coin-operated slot machines; however, there are three exceptions to this general prohibition:

### 1. Antique slot machines:

In general, you may sell slot machines that are at least 25 years old provided that the age of the machine is explicitly stated on your website. However, buyers and sellers in the following states may not participate in antique slot machine sales due to laws prohibiting slot machine ownership in their state: Alabama, Connecticut, Hawaii, Indiana, Nebraska, South Carolina, and Tennessee. Some states require that slot machines be older than 25 years to qualify for antique status, while a few allow more recent machines. Please check local laws to ensure that your transaction is lawful in your area. Please note that you may not use PayPal to sell replica coin-operated slot machines that are operable and are less than 25 years old.

All sites selling antique slot machines must include the following text:

**Due to laws regulating the sale of antique slot machines, I, as the seller, will not sell to members in the states of Alabama, Connecticut, Hawaii, Indiana, Nebraska, South Carolina, and Tennessee. Offers from members residing in any of these states will be denied. Buy It Now transactions with buyers residing in these states will be considered void.**

### 2. Non-coin-operated slot machines:

You may use PayPal to sell slot machines to buyers from all states, regardless of the machine's age, as long as the machines do not accept or pay out coins. However, slot machines that can be readily converted to use for coins or currency are treated as coin-operated machines and prohibited in Alabama, California, Missouri, New Jersey, New York, North Carolina and Oregon.

### 3. Non-functional slot machines:

You may use PayPal to sell machines that were never functional but made solely for display and coin-operated slot machines that have been permanently altered so that they will not accept any coin or slot.

## Stocks, Bonds, Securities and Related Certificates Policy

You may not use PayPal to sell any security. The U.S. Securities and Exchange Commission regulates the sale of stocks and other security interests that represent a current investment ownership interest in an entity, as well as efforts by individuals to raise money or find investors for businesses.

### Examples of items that cannot be sold using PayPal:

- Stock, bonds, or any investment interest in any entity or property, including but not limited to corporations, or partnerships
- Credit (for example, you may not sell \$1000 in credit to a buyer)
- Solicitations to invest money in any business venture
- Any portion of an ongoing business

- 100% of any ongoing business if the sale involves a transfer of any stock in that business
- Documentation that represents proof of a current investment interest in any entity

**Some business-related items that may be sold using PayPal (subject to PayPal's maximum transaction size of \$10,000):**

- 100% of the assets of a business (inventory, lease, good will) where no transfer of stock is involved
- Information about how to start a business
- Any sale of inventory, leases, fixtures
- "Turn key" businesses such as vending machines, windshield repair kits, breathalyzer machines
- Tools used for a business, such as silk screening machines, photo mug equipment, business card makers
- Websites or domain names
- Old or collectible stock certificates, provided that such stock certificates are canceled or represent an interest in an entity that no longer legally exists

## Stolen Property Policy

PayPal strictly forbids the use of its service in the sale or advertisement of stolen property. If you suspect that an item being offered or sold is stolen, contact your local law enforcement agency immediately. PayPal strongly supports law enforcement efforts to recover stolen property and urges the prosecution of those responsible for knowingly attempting to sell such items. Stolen property includes items taken from private individuals as well as property taken without authorization from companies or governments.

**For federal laws regarding the sale of stolen property, please see U.S. Code, Title 18, Sections 2314** (<http://www4.law.cornell.edu/uscode/18/2314.html>) and 641 (<http://www4.law.cornell.edu/uscode/18/641.html>) .

### Related Acceptable Use Policies:

Unauthorized Copy Policy

## Surveillance Equipment Policy

You may not use PayPal to sell products that are designed primarily to record the private oral, wire, or electronic conversations of others without their knowledge or permission. These items, like small, easily hidden transmitting devices such as telephone "bugs", "wiretap" devices, "miniature transmitters", and "surveillance microphones" are illegal to possess or sell under Title 18, United States Code Section 2512, and their use also violates the law in many states and countries.

Further, several states (including California), prohibit the use of photographic devices to surreptitiously view or record individuals for sexual purposes. Sites that promote such activity are not permitted in PayPal Shops. See an example (<http://www.leginfo.ca.gov/cgi-bin/displaycode?section=pen&group=00001-01000&file=639-653.1>) of such laws.

## Tobacco Policy

PayPal may not be used to purchase or sell tobacco, including cigarettes, cigars, and smokeless tobacco, due to the



many difficulties inherent in assuring that tobacco sales comply with applicable laws.

## Travel Policy

You may not use PayPal to sell travel services unless you are appropriately registered and licensed in all states in which you do business. Generally, individuals or businesses that sell travel packages, travel certificates, or operate travel clubs must be registered and become licensed travel sellers in all states where they do business or have customers. Please visit the California Tourism website for more details on California's travel selling laws.

### Travel agents, promoters, and other businesses selling travel services

If you sell, advertise, or arrange air or sea travel (but do not directly provide the travel service yourself), you may use PayPal to sell air and ship related travel items (for example, airplane tickets and cruise trips) only if you are licensed as a seller of travel lawfully able to do business. You must be prepared to provide PayPal with your travel license number. For travel services other than air or sea travel, you may offer gift certificates or coupons that are issued by a specific provider of travel, such as a gift certificate to a particular hotel.

### Individuals

If you simply wish to sell an unused air or sea related travel voucher or gift certificate, you may do so no more than one trip per month provided that the item is not a travel club membership or "choice travel certificate" (see below), or related item. In such instances, you may not play a role in arranging any travel other than delivering the item. Please note that many airline tickets, vouchers, and frequent flier miles are not transferable, and sellers should review any travel related item before listing to make sure that it can be transferred legally to another party and will be accepted by the issuing provider of travel services.

### Travel club memberships and "choice travel" certificates

If you sell travel club memberships and "choice travel" certificates you must clearly state all associated costs and requirements of the certificate. Travel club memberships include any service, cards, or identification number that purports to give the holder the right to free or discounted travel, or certificates that entitle the holder to some travel related benefit (such as free or low cost hotel stays) with a variety of travel providers.

Choice travel certificates are documents that are not issued directly by a single provider of travel, but by travel wholesalers, consolidators, or other middleman travel sellers. In general, these certificates offer the holder free or low-cost travel services with a choice of multiple hotel chains, resorts or airlines where the exact location is chosen by the buyer or seller. It must be clearly stated if such certificates require additional purchases.

## Unauthorized Copies Policy

You may not use PayPal to sell unauthorized copies (pirated, duplicated, backup, bootleg and so forth) of software programs, video games, music albums, movies, television programs, or photographs.

### Examples

The following items may not be sold using PayPal:

- Pirated copies of video games
- "Backup" or "archival" copies of software programs
- 35mm and 70mm movie prints (reels)
- Pirated copies of music
- "Bootleg" recordings of live music performances

- "Home video" versions of a movie still in theaters

Sites offering unauthorized copies of software, games, music, or video may be removed from PayPal Shops. Violations of PayPal's unauthorized copy policy could result in the suspension of your account.

**Related Acceptable Use Policies:**

Bootleg Recordings

## Used AirBags Policy

You may not use PayPal to sell deployed or rebuilt airbags. In addition, some states have even more restrictive laws prohibiting all sales of used airbags, whether deployed or not. Please consult with the laws of your state before selling an airbag through PayPal.

## Warranties Policy

Affects Items Worth More than \$15

Under the Magnuson-Moss Warranty Act, a federal law enforced by the Federal Trade Commission, PayPal members who offer items on PayPal valued at more than \$15 and who offer either a written warranty or service contract with the items must, in their item descriptions, provide one of the following:

1. The full text of the written warranty
2. A statement explaining how a free copy of the written warranty can be obtained upon written request
3. A link within their website that takes members to the warranty details

## Firearms, Weapons, and Knives Policy

### FIREARMS

You may not use PayPal in the purchase or sale of any firearm. This includes all rifles, shotguns, and handguns, whether for use in sporting, as collectibles, or curio and relic (C&R) firearms, and regardless of their present working order. Furthermore, PayPal defines "firearm" consistent with the U.S. Code and, as such, prohibits frames, receivers, or any other serialized firearm components. For more information, please refer to U.S. Code Title 18, Section 921 (<http://www4.law.cornell.edu/uscode/18/921.html>)

### Exception for Imitation and Non-Powder Guns

PayPal permits the use of its services in the sale of certain properly-conforming replica (imitation) guns, paintball guns, blank guns, and "air-soft" guns. These items must display all markings required by law, must not be able to be readily converted to shoot a lethal projectile, and blank ammunition must not be included in the sale. For more information regarding regulations applicable to the sale of imitation firearms, please refer to U.S. Code Title 15, Section 5001 (<http://www4.law.cornell.edu/uscode/15/5001.html>). The sale of imitation guns may be regulated differently outside the U.S., and international buyers and sellers must abide by these laws accordingly.

### FIREARM PARTS AND ACCESSORIES

You may not use PayPal to purchase or sell any firearm receivers or frames, components and parts of receivers and frames, or "cut" or "80%" receivers. PayPal also does not permit assault weapon-related parts and accessories, firearm silencers, and kits designed to convert a firearm to have automatic firing capability. This includes the sale of any parts or accessories prohibited for sale by the National Firearms Act or other federal or state law, including

items related to short-barreled shotguns or short-barreled rifles, fully automatic weapons, large-capacity magazines, multi-burst trigger activators and camouflaging firearm containers.

For more information about the National Firearms Act (NFA) and its requirements, please refer to the (<http://www.atf.treas.gov/firearms/index.htm>) website.

## **AMMUNITION**

You may not use PayPal to buy or sell high-capacity magazines (those which hold more than 10 rounds), ammunition with propellant (e.g., gunpowder), or blank ammunition. The term "ammunition" means ammunition or cartridge cases, primers, bullets, or propellant powder designed for use in any firearm.

## **DESTRUCTIVE DEVICES**

You may not use PayPal in the purchase or sale of any explosive, incendiary, or poison gas bomb, grenade, grenade launcher attachment, rocket, missile, mine or similar device. Examples: Molotov cocktails, anti-tank guns (over caliber .50), bazookas, and mortars.

## **MILITARIA AND ORDNANCE**

PayPal prohibits the use of its services in the purchase or sale of equipment or supplies issued to and formerly used by United States Armed Forces that have not been disposed of in accordance with Department of Defense demilitarization policies. Sales of such items may constitute violations of federal law.

Furthermore, you may not use PayPal in conjunction with the sale of ordnance (military weaponry, ammunition, and related parts) unless you can provide official documentation from the U.S. Bureau of Alcohol, Tobacco and Firearms (ATF) stating that the item is unserviceable or demilitarized. Contact your local ATF office for more details on obtaining such documentation.

## **WEAPONS**

You may not use PayPal in the sale of certain hand weapons that are illegal according to federal or state laws including: nunchaku; brass or other metal knuckles; leaded canes/staffs/crutches/sticks; zip guns; shurikens/ throwing stars; hand grenades or metal replica hand grenades; and billyclubs/batons, sandclubs, sandbags, or slingshots (also known as saps or blackjacks). For any other hand weapons, sellers must make certain that the weapon is legal in all countries in which it will be available for purchase.

## **STUN GUNS**

You may only use PayPal to sell stun guns to the extent permissible by law. Sellers are responsible for reviewing the laws in their location and the location of the buyer and ensuring that sales are legal in both locations before completing such transactions.

## **KNIVES**

In general, you may use PayPal in the legal sale of knives, subject to the following exceptions:

- **Switchblade Knives.** You may not use PayPal in the sale of switchblade knives that have a blade over 2 inches. A switchblade knife is defined as any knife that resembles a pocketknife with a blade that can be released automatically or by use of a trigger. Other names for switchblades include spring-blade knife, snap-blade knife, gravity knife, and butterfly knife.
- **Disguised Knives.** You may not use PayPal in the sale of knives disguised to look like a harmless item. This includes, but is not limited to: belt buckle knives, cane swords, shobi-zue, lipstick case knives, air gauge knives, and writing pen knives.